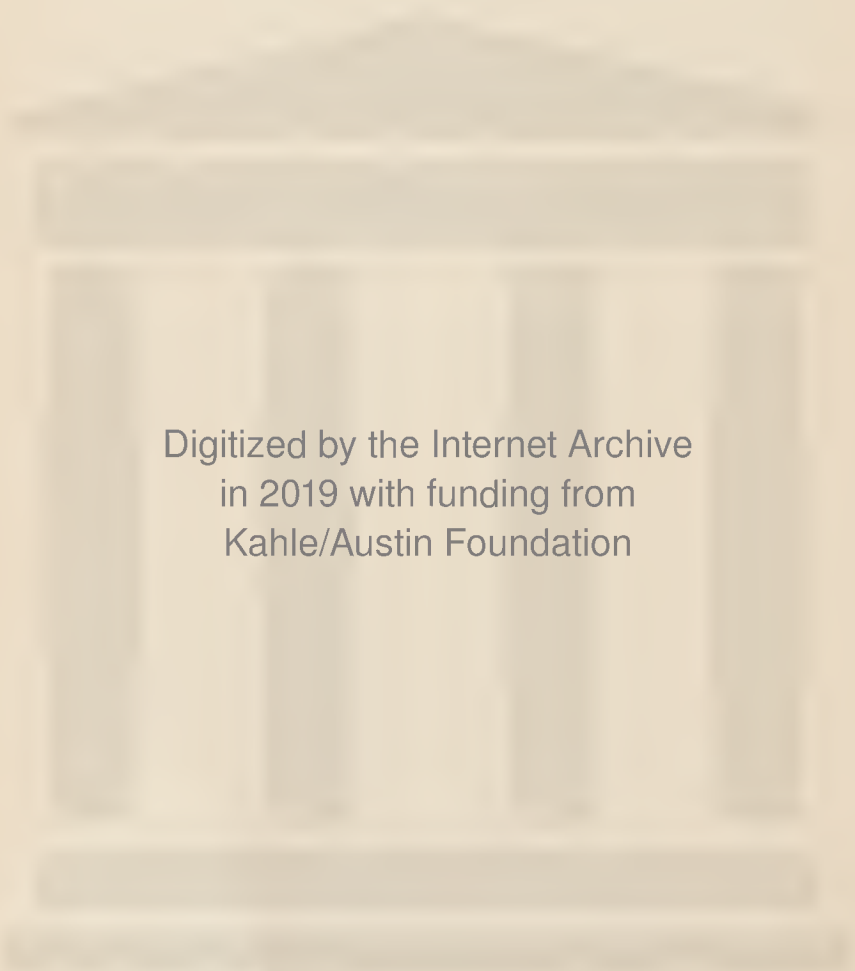


Digitized by the Internet Archive
in 2019 with funding from
Kahle/Austin Foundation

https://archive.org/details/canadianannualre0000unse_k4i7

THE
CANADIAN ANNUAL REVIEW
OF PUBLIC AFFAIRS

The Opening of Canada's First Railway

The artist's conception of the scene at Laprairie, Quebec, on July 21, 1836, as the first train of the Champlain and St. Lawrence Railroad started on its inaugural run to St. John's, Quebec

Courtesy of The Royal Bank of Canada. *Artist: Adam Sherriff Scott*

THE

CANADIAN ANNUAL REVIEW

OF

PUBLIC AFFAIRS

(FOUNDED BY J. CASTELL HOPKINS)

1935 AND 1936

THIRTY-FOURTH AND THIRTY-FIFTH YEARS OF ISSUE

TORONTO
THE CANADIAN REVIEW COMPANY
LIMITED

F 5003 .C35 1935-36

Copyright, Canada, 1939, by
THE CANADIAN REVIEW COMPANY LIMITED

Printed and Bound by
THE CARSWELL COMPANY, LIMITED,
TORONTO.

PREFACE

The previous edition of *The Canadian Annual Review* bore the date, "1934". For reasons beyond the control of the publishers, the 1935 and 1936 editions were not issued at the usual dates; hence this double volume, embracing the two years' history of the public affairs of Canada. The next edition, likewise, will cover two years—1937 and 1938. Subsequent volumes will be for twelve-month periods only.

Mention must be made of the loss to *The Canadian Annual Review* by the death, in 1936, of Dr. A. H. U. Colquhoun, who rendered valuable service to our publication as a member of the Advisory Editorial Committee.

Acknowledgments are tendered to Government Departments, both Dominion and Provincial, and, in particular, to the Dominion Bureau of Statistics, which so generously supplied the editors with official information.

To our writers and to the members of our staff we extend sincere appreciation of their co-operation in the heavy task of bringing out this two-year volume.

THE EDITORS

Toronto, Canada,
March 20th, 1939

007422

TABLE OF CONTENTS

FEDERAL ADMINISTRATION AND POLITICS

	Page
Introduction: Dominion Public Affairs during 1935 and 1936	1
The Conservative Administration: Mr. Bennett as Prime Minister to October 23, 1935	2
Mr. Bennett at the King's Silver Jubilee	5
Mr. Bennett's Return to the House	6
The Prime Minister's Activities, July—October, 1935	8
The Sixth Session of the Seventeenth Parliament	10
The Debate on the Address	12
The Budget Speech of 1935	19
Estimated Revenues and Expenditures, 1934-35	21
Indirect Liabilities	22
The Funded Debt at Mar. 31, 1935	23
The Public Debt of Canada	23
Taxation and Tariff Changes, 1935	23
Estimates for 1935-36	25
The Budget Debate	25
Legislation of 1935	28
Employment and Social Insurance Act, 1935	29
Dominion Trade and Industry Commission Act, 1935	31
Minimum Wages Act, 1935	33
Weekly Day of Rest Act, 1935	33
Eight-Hour Day Act, 1935	33
Two 1935 Acts Amending The Farmers' Creditors Arrangement Act	33
The Natural Products Marketing Act Amendment, 1935	34
Criminal Code Amendment Act, 1935	35
The Companies Act Amendment, 1935	36
The Canadian Wheat Board Act, 1935	37
Relief Enactments, 1935	42
The Supplementary Public Works Construction Act, 1935	42
The Dominion Housing Act, 1935	42
The Canadian Fisherman's Loan Act, 1935	43
The Canadian Farm Loan Act Amendment, 1935	43
The Prairie Farm Rehabilitation Act, 1935	44
The Economic Council of Canada Act, 1935	44
Canadian National Railways Enactments, 1935	45
The Patent Act, 1935	46
The Radio Broadcasting Commission Acts, 1935	47

Page

Customs Tariff Amendment; Trade Agreements, 1935 48
Miscellaneous Acts of 1935 49
Special House Committees of 1935 50
The British North America Act Committee 50
The Grain Board Bill Committee 50
Unemployment Camps: Strikers at Vancouver and Regina 52
Other Incidents of the 1935 Session 56
Prorogation of the 1935 Session 57
The 1935 Dominion General Election 59
The Conservative Campaign 60
The Liberal Campaign 62
The Reconstruction Party 65
The Co-operative Commonwealth Federation 66
The Results of the Election of Oct. 14 67
The King Ministry in 1935 69
The Dominion-Provincial Conference, 1935 71
The Liberal Administration: Mr. King as Prime Minister during 1936 72
Mr. King at Geneva; His Return 78
Mr. King's Statement on the Abdication 80
Canada and the Accession of King George VI 82
The National Liberal Federation of Canada, 1936 83
The Dominion and Provinces, 1936 83
Dominion—Alberta Financing 85
The National Finance Committee 86
The Agricultural Conference 87
Judgments on 1935 Legislation 87
The Opposition Leader in 1936 91
By-Elections of 1935 and 1936 92
The Eighteenth Parliament; the First Session 93
The Debate on the Address 94
The Budget Speech of 1936 99
Revenues and Expenditures, 1935-36 100
The Canadian National Railways 101
Summary of Expenditures—the Deficit 101
Loans to the Provinces; and Investments 101
Indirect Liabilities 102
Loan Flotations 102
The National Debt of Canada 102
Taxation and Tariff Changes, 1936; Estimated Revenue, 1936-37 102
The Budget Debate 105
Dominion Finances, 1935 and 1936 107
Legislation of 1936 109

Page
The Canada—United States Trade Agreement Act, 1936..... 110
The National Employment Commission Act, 1936..... 114
The Unemployment Relief and Assistance Act, 1936..... 115
The Bank of Canada Amendment Act, 1936..... 115
The 1930 Wheat Crop Equalization Payments Act, 1936..... 117
The National Harbours Board Act, 1936..... 118
The Canadian National—Canadian Pacific Act, 1936..... 120
The Canadian Broadcasting Act, 1936..... 121
Shipping Acts of 1936..... 122
The Criminal Code Amendment Act, 1936..... 122
War Veterans Acts of 1936..... 122
Election Changes, 1936..... 123
Miscellaneous Acts of 1936..... 124
The B.N.A. Act Amendment Resolution..... 125
Special Committees of the Senate, 1936..... 127
Special Committees of the House of Commons, 1936..... 128
Other Incidents of the Session of 1936..... 130
Prorogation, 1936..... 132
Reports of Administrative Services..... 134
Administration of Justice..... 134
Royal Canadian Mounted Police 134
Penitentiaries 135
Divorces Granted in 1934-36..... 138
National Revenue..... 139
Pensions and National Health..... 140
Health Conference, 1935..... 142
Mental Patients..... 142
Vital Statistics..... 142
Public Works..... 144
The Secretary of State..... 144
The Gypsum Queen Case..... 145
National Defence..... 145
Department of the Interior..... 147
Indian Affairs..... 150
Immigration and Colonization..... 150
Soldier and General Land Settlement..... 151
The Civil Service Commission..... 151
Education 152
National Research Council..... 153
Commissions of Investigation, 1935 and 1936..... 154
Price Spreads and Mass Buying, 1934-1935..... 156
The Natural Resources of Saskatchewan and Alberta, 1935..... 158

Page

Maritime Subsidies, 1935 159
The Canadian Performing Right Society, Limited, 1935 160
The MacPhail-Dawson Charges, 1935 161
Construction of Waterloo (Quebec) Post Office, 1935 161
British Columbia Relief Camps, 1935 162
Charges Against the R.C.M.P., 1935 163
Employment for Ex-Service Men, 1935 164
Anthracite Inquiry, 1936 165
The Canadian Ministry (Liberal) 166
Chief Dominion Officers 166

IMPERIAL AND INTERNATIONAL RELATIONS

Imperial Events of 1935-1936 168
The Death of King George V; the New King, 1936 169
The Abdication of King Edward VIII 172
Prince Edward's Farewell 175
King George VI 177
Canadians in the King's Honours Lists, 1935 177
The Governor-General of Canada, 1935 and 1936 178
The Department of External Affairs, 1935 and 1936 180
The High Commissioner's Office, London, 1935-36 181
The Canadian Legation, Washington, 1935-36 182
The Canadian Legation, Paris, 1935-36 183
The Canadian Legation, Tokyo, 1935-36 183
Canadian Advisory Office, Geneva, 1935-36 184
High Commissioner's Office, Ottawa 185
Diplomatic Representatives in Canada, 1935-36 185
The International Joint Commission 185
The Vimy Pilgrimage, 1936 186

THE PROVINCE OF ONTARIO

The Liberal Administration: Mr. Hepburn as Prime Minister during 1935-36 191
Unemployment Relief, 1935 and 1936 195
The Power Problem, 1935 and 1936 196
Separate School Taxes, 1935 and 1936 200
Other Policies, 1935 202
Other Policies, 1936 204
Commissions of Inquiry, 1935-36 205
Political Affairs of 1935-1936 208

Page
The Conservative Opposition ... 208
The 1935 Session of the Legislature ... 210
The Budget Address, 1935 ... 213
The Budget Debate, 1935 ... 215
Estimates, 1935-36 ... 216
The Power Commission Act, 1935 ... 217
The Industrial Standards Act, 1935 ... 220
Insurance Enactments, 1935 ... 221
Dismissal of War Veterans Inquiry, 1935 ... 222
Prorogation: Legislation and Incidents of the 1935 Session ... 222
The 1936 Session of the Legislature ... 226
A Question of Procedure ... 227
The Address-in-Reply to the Speech ... 228
The Budget Address, 1936 ... 232
Public Accounts, 1935-36 ... 233
The Budget Debate ... 234
Estimates, 1936-37 ... 236
Provincial Income Tax ... 236
Power Contracts Validated ... 238
Re-apportionment of School Taxation ... 238
Prorogation: Legislation and Incidents of the 1936 Session ... 241
The Gunning Charges ... 242
Provincial Departments, 1934—1936 ... 243
Education, 1935—1936 ... 243
The University of Toronto and its Colleges ... 246
Queen's University, Kingston ... 249
University of Western Ontario, London ... 250
University of Ottawa ... 250
McMaster University, Hamilton ... 251
Osgoode Hall Law School (Toronto) (Law Society of Upper Canada) ... 251
Agriculture ... 251
Mines ... 254
Lands and Forests ... 255
Game and Fisheries ... 256
Public Works ... 257
Highways ... 258
Labour ... 258
Health and Hospitals ... 259
The Registrar-General: Vital Statistics ... 260
Public Welfare ... 261
The Attorney-General ... 261

Page
Municipal Affairs ... 262
Ontario Municipal Board ... 263
Prisons and Reformatories ... 264
The Hydro-Electric Power Commission of Ontario ... 264
The Temiskaming and Northern Ontario Railway ... 265
Ontario Research Foundation ... 266
Motion Pictures ... 266
Liquor Control Board ... 266
Miscellaneous Incidents, 1935 and 1936 ... 267
The Hepburn Ministry (Liberal) (As at Dec. 31, 1936) ... 272
Heads of the Administrative Services ... 273
The Hepburn Ministry (Liberal) (As at Dec. 31, 1938) ... 273

THE PROVINCE OF QUEBEC

Political Affairs during 1935—1936; The Liberal Defeat ... 274
The 1935 Session of the Legislature ... 275
The 1935 General Election ... 278
The Nineteenth Legislature of March-June, 1936 ... 279
The Public Accounts Committee, 1936 ... 283
The 1936 General Election ... 284
The First Session of the Twentieth Legislature, October, 1936 ... 286
Departmental Reports for the fiscal years 1933-34 and 1934-35 ... 288
The Secretary and Registrar ... 288
Lands and Forests ... 289
Roads ... 291
Mines ... 291
Public Works ... 292
Agriculture ... 293
Colonization, Game and Fisheries ... 295
Colonization ... 296
Game and Fisheries ... 297
Labour ... 297
Workmen's Compensation ... 299
Municipal Affairs ... 299
The Quebec Liquor Commission ... 300
Education ... 301
Municipal Elections of 1936 ... 303
The Duplessis Ministry (Union Nationale) ... 304
Heads of the Administrative Services ... 304

THE PROVINCE OF SASKATCHEWAN

Page
Economic Conditions, 1935—1936 305
Debt and Taxation, 1936 308
The Regina Riot and Investigation, 1935-36 312
Political Affairs of 1935—1936 314
The 1934-35 Session of the Legislature 315
Public Accounts, Estimates and the Budget, 1934-35 316
Debt Adjustment and "Personal Covenant" Acts, 1934-35 317
Coal Inquiry and Legislation, 1934-35 318
Other Legislation and Incidents of the 1934-35 Session 319
The 1936 Session of the Legislature 320
Public Accounts, Estimates and the Budget, 1936 321
Legislation and Incidents of the 1936 Session 322
Education: Reports for 1934—36 324
Agriculture: Reports for 1935—1936 325
The Saskatchewan Wheat Pool, 1935 and 1936 326
The United Farmers of Canada, Saskatchewan Section, Limited 327
Government Departments, 1935—1936 328
Municipal Affairs, 1934-36 331
The Power Commission and The Liquor Board 332
The Patterson Ministry (Liberal) 333
Heads of the Administrative Services 334

THE PROVINCE OF ALBERTA

The Social Credit Movement of 1935—1936 335
Mr. Aberhart as Prime Minister 337
The Tax Inquiry Board, 1935 339
Other Provincial Affairs of 1935 and 1936 340
The Fifth Session of the Seventh Legislature, 1935 342
Public Accounts, Estimates, the Budget, 1935 343
Legislation and Incidents of the 1935 Session 346
The General Election of 1935; A Social Credit Cabinet 349
The First Session of the Eighth Legislature 353
Public Accounts, Estimates, the Budget, 1936 354
Legislation; Prorogation on Apr. 7, 1936 356
The Second Session of the Eighth Legislature 357
Agriculture: Reports for 1934—1936 359
The United Farmers of Alberta 360
The Alberta Co-operative Council 360
The Alberta Wheat Pool 360
Education: Reports for 1934—1936 361

Page
Lands and Mines: Reports for 1934 to 1936 362
Public Works and other Services during 1934—1936 363
The Aberhart Ministry (Social Credit) 365
Heads of the Administrative Services 366

THE PROVINCE OF MANITOBA

Provincial Affairs of 1935—1936 367
The General Election of 1936 369
Debt Relief and Other Incidents of 1936 372
Reports of Investigations, 1935—36 373
The 1935 Session of the Legislature 376
Public Accounts, Estimates, the Budget, 1935 Session 376
Legislation and Incidents of the 1935 Session 377
The 1936 Session of the Legislature 378
Public Accounts, Estimates, the Budget, 1936 Session 379
Legislation and Incidents of the 1936 Session 380
Agricultural Conditions: Organizations 1935 and 1936 381
Manitoba Pool Elevators, Limited 383
United Farmers of Manitoba 384
Mines and Natural Resources, 1934—1936 384
Health and Welfare; other Services during 1934—1936 385
Municipal Statistics; Debt Adjustment 387
Education 388
Industrial Development Board 388
The Bracken Ministry (Coalition) 389
Heads of the Administrative Services 389

THE PROVINCE OF BRITISH COLUMBIA

The Pattullo Administration; Other Affairs in 1935—1936 390
The City of Vancouver in 1935 and 1936 393
Political Affairs of 1935—1936 396
The 1935 Session of the Legislature 397
Public Accounts, Estimates, the Budget, 1935 399
The Two 1936 Sessions of the Legislature 400
Legislation: The Health Insurance Act 401
The Autumn Session of 1936 402
Public Accounts, Estimates, the Budgets, 1936 403
The Departments in 1934—36; The Economic Council 406
Education, 1935—36 406
Public Works, 1934—36 407

Page
Labour, 1934—36 408
Agriculture, 1934—36 409
Mines, Fisheries and Lands, 1934—36 409
Health, 1934—36 411
Municipal Affairs; Liquor Control Board, 1934-36 412
The Pattullo Ministry (Liberal) 413
Heads of the Administrative Services 413

THE PROVINCE OF NOVA SCOTIA

Economic and Other Affairs During 1935-36 415
Moose River Mine Tragedy, 1936 419
Commissions of Inquiry, 1935 and 1936 421
The 1935 Session of the Legislature 422
Public Accounts, Estimates, the Budget, 1935 425
The 1936 Session of the Legislature 426
Public Accounts, Estimates, the Budget, 1936 429
Provincial Education: 1934—1936 429
Department of Agriculture; Organizations, 1935-1936 431
Lands and Forests; Fisheries and Mines, 1934—1936 433
Highways, Labour, Relief and other Services during the Years, 1934—1936 433
Public Utilities and the Power Commission During 1934—1936 435
Union of Municipalities 436
The Macdonald Ministry (Liberal) 437
Heads of the Administrative Services 437

THE PROVINCE OF NEW BRUNSWICK

Provincial Affairs of 1935—1936 438
The Dysart Ministry, 1935-36 439
Other Incidents of 1935 and 1936 441
The 1935 Session of the Legislature 443
Public Accounts, Estimates, and the Budget of 1935 445
The 1935 General Election 446
The 1936 Session of the Legislature 448
Public Accounts, Estimates, and the Budget of 1936 451
Provincial Education, 1933—1936 453
Agriculture: Reports for 1934 to 1936 454
Lands and Mines and Fisheries during 1934—36 456
Unemployment Relief; other Reports for 1934—1936 456
Public Utilities, Power Commission, 1934—36 458

Page
Union of Municipalities 458
The Dysart Ministry (Liberal) 459
Heads of the Administrative Services 459

THE PROVINCE OF PRINCE EDWARD ISLAND

Changes in Government, 1935—1936 460
The 1935 (Mar.-Apr.) Session of the Legislature 462
Public Accounts, Estimates, the Budget, 1935 463
The 1935 (Sept.) Session of the Legislature 464
The 1936 Session of the Legislature 465
Public Accounts, Estimates and the Budget, 1936 466
Government Departments, 1935—1936 467
The Campbell Ministry (Liberal) 468
Heads of the Administrative Services 468

STATISTICAL SURVEY, 1935 and 1936, OF ECONOMIC AND SOCIAL CONDITIONS

Year 1935 469
Year 1936 470
The Economic Situation of Canada, 1936 as Compared with 1935 471
Fundamental Economic Conditions in Canada, 1927-1936 472
Employment in Canada, 1928-1936 472
Statistical Summary of Economic and Social Conditions in Canada in the Calendar Year 1936 as Compared with the Two Preceding Years 473
Population 473
Production 473
External Trade 475
Internal Trade 476
Prices 476
Transportation and Communication 477
Labour 477
Finance 478
General Business 479
Statistics Illustrating the Social and Economical Trend, in Canada during 1935 and 1936 479
Population 479
Productive Activity 480
Salient Statistics of Six Important Industries 480

Page
Trade Statistics 481
Transportation 481
Prices 482
Labour 482
General Business 483
Currency and Banking 483
Investment and Speculation 484

LABOUR AND UNEMPLOYMENT RELIEF

Industrial Employment During 1935 and 1936 485
Labour Legislation 1935 and 1936 488
Wages 491
Cost of Living 492
Hospitalization 494
Fatal Accidents 495
The Department of Labour During 1935 and 1936 496
Unemployment and Relief During 1935 and 1936 497
Land Settlement 501
Loans to Western Provinces 502
Dominion Government Relief Guarantees 503
Strikes and Lockouts 503
Industrial Disputes Investigation Act 505
Combines Investigation Act 506
Old Age Pensions 507
Government Annuities 507
Labour Organization in Canada 508

FINANCE AND INSURANCE

Canada in the World Economic Recovery during 1935 and 1936 510
Foreign Exchange; Favourable Balance of International Payments, 1935-36 513
Canadian Balance of International Payments, 1927—1936 514
Low Interest Rates and the Banking System, 1935 and 1936 515
Statistics of Chartered Banks 515
Security Holdings of Chartered Banks and Bank of Canada 515
Dominion Government Finances (1932-33 to 1935-36) 515
Total Net Debt—Dominion and Provincial 516
Dominion Direct and Guaranteed Funded Debt Outstanding 516
Bank of Canada and Chartered Banks 516
Cash Position of Banking System 517

Page

Money Supply and Its Use ... 517
Bank Profits ... 518
Bank Assets and Liabilities ... 518
Bank of Canada in Operation ... 519
Canadian Bank Branches ... 521
The Canadian Bankers' Association ... 521
The Canadian Bond Market in 1935 and 1936 ... 521
Canadian Bond Sales 1904—1936 ... 523
Underwritings and Flotations of Canadian Bonds ... 523
Sales and Distribution of Canadian Bonds ... 524
New Bond Issues of 1935-36 ... 524
Refunding Offerings ... 525
The Investment Dealers' Association of Canada ... 525
Record of the Stock Markets During 1935-36 ... 526
Industrial Stocks ... 527
Utility Stocks ... 527
Mining Stocks ... 527
Mining Stocks ... 527
Newsprints ... 529
Utilities ... 529
Transportation ... 530
Other Industrials ... 530
Banks ... 531
Toronto Stock Exchange ... 532
Montreal Stock Exchange; Montreal Curb Market ... 532
Commercial Failures in Canada; Reorganizations, 1935—36 ... 533
Capital Reorganizations in 1935-36 ... 534
Algoma Steel Corporation, Limited ... 534
Beauharnois Light, Heat and Power Company ... 535
Canada Bread Company, Limited ... 535
Canada Paper Company ... 535
Canadian Industrial Alcohol Company Limited ... 536
The Consolidated Mining and Smelting Co. of Canada, Ltd. ... 536
Consolidated Paper Corporation Limited ... 536
Dominion Coal Company, Limited ... 536
Dominion Foundries and Steel, Limited ... 537
Dominion Steel and Coal Corporation Limited ... 537
Donnacona Paper Company, Limited ... 537
Fraser Companies, Limited ... 538
Famous Players Canadian Corporation, Limited ... 539
The Goodyear Tire and Rubber Co. of Canada, Ltd. ... 539
The Great Lakes Paper Company, Limited ... 539

Page

Howard Smith Paper Mills Limited 539
Lake St. John Power and Paper Company Limited 540
The Lake Superior Corporation 540
Montreal Light, Heat and Power Consolidated 540
George Weston Limited 540
Winnipeg Electric Company 540
Life Assurance in Canada, 1934, 1935 and 1936 541
Life Assurance in Canada from 1925 to 1936 542
Canadian, British and Foreign Companies 542
Canadian Life Companies, 1934-36 543
Records of Individual Life Assurance Companies 544
"Outside" Canadian Business, 1934-36 544
Canadian Life Assurance Companies 545
Life Insurance in Canada During 1934, 1935 and 1936 545
Fire Insurance in Canada 546
Fraternal Insurance in Canada during 1934, 1935 and 1936 546

INDUSTRIES AND COMMERCE

General Production in Canada 548
Agriculture: Values and Production, 1934—1936 549
The Department of Agriculture, 1935-36 551
Dominion Experimental Farms, 1935—1936 552
Farm Rehabilitation in 1935 and 1936 554
Board of Grain Commissioners for Canada, 1934—36 555
The Canadian Farm Loan Board, 1935—1936 557
Operation of The Farmers' Creditors Arrangement Act 558
Operation of The Natural Products Marketing Act 559
The Canadian Wheat Board, 1935 and 1936 560
All Field Crops, 1935—1936 564
The Wheat Situation, 1935—36 565
Exports of Canadian Wheat and Flour by Countries 567
Barley and Oats, 1934-36 567
Potato Production, 1934—36 568
Tobacco, 1934—36 568
Sugar Beets and Beetroot Sugar, 1934—36 569
Fruit and Floriculture, 1934—36 569
Honey, Maple Sugar and Syrup, 1934—36 570
Live Stock, 1934—1936 571
Dairy Products, 1934—36 571
Egg Production, 1934—36 573
Industries of Forest Products, 1933—1936 573

Page
The Pulp and Paper Industry, 1934—36 575
The Lumber Industry, 1934—36 576
Mining and Metallurgical Industries in 1934—1936 577
The Non-ferrous Smelting and Refining Industry, 1934—36 579
The Department of Mines, 1934—1936 582
The Dominion Fuel Board, 1934—36 585
Canadian Institute of Mining and Metallurgy, 1935—36 586
Fur Resources and Fur Production during 1934—1936 587
Fisheries' Statistics, 1934—1936 587
The Biological Board of Canada, 1934—36 589
Water Power and Output of Central Electric Stations during 1934—36 .. 590
Construction Situation of 1935 and 1936 591
Manufacturing Production:—1933 to 1936 592
Statistics of the Forty Leading Industries of Canada 597
Production and Stocks of Liquor, 1935—1936 597
Miscellaneous Industries, 1933—36 598
Canadian Manufacturers' Association, 1935—1936 599
Canada's Trade of 1934—36 600
Canada's World Trade 600
Value and Volume of Canada's Trade 601
Canada's Domestic Exports of Forty Leading Commodities 602
Summary of Canada's Trade with the United States 603
Domestic Exports from Canada to the United States 604
Canada's Trade with the Principal Empire Countries 604
Summary of Canada's 1936 Trade with the United Kingdom ... 605
Wholesale Trade in Canada, 1935—36 605
Retail Merchandise Trade in Canada, 1935—1936 606
The Tariff Board, 1935 and 1936 607
The Dominion Trade and Industry Commission 611
The Department of Trade and Commerce, 1935—1936 611
Tourist Trade, 1934—1936 613
Motion Pictures, 1934—36 614
The Canadian National Exhibition Association 614
Chambers of Commerce 614

TRANSPORTATION AND COMMUNICATION

The Railway Situation, 1935—1936 616
Steam Railways in Canada During 1934, 1935 and 1936 620
The Board of Railway Commissioners 1934—1936 622
The Canadian National Railways 623
Canadian Pacific Railway Company, 1934-36 625

Page

Postal Affairs, Express Companies and Other Traffic during 1934—1936 628
Express Companies 629
Electric Railways, 1934—1936 630
Motor Transportation and Highways, 1934—1936 633
Canadian Harbour Affairs, 1934—1936 636
Montreal 636
Vancouver 637
Halifax 638
Saint John 638
Quebec 639
Chicoutimi 639
Toronto 639
Sea and River Port Trade 640
Canada's Canals in 1935 and 1936 641
Canadian Hydrographic Service 642
Canadian Shipping, 1935 and 1936 643
Shipping Incidents 646
Miscellaneous Traffic Reports 648
Aviation in Canada, 1934—1936 649
Aviation Incidents 650
Telephone, Telegraph and Radio, 1934—1936 651
Telegraph Companies, 1934—1936 653
Radio Affairs 654

CANADIAN BOOKS OF 1934—36

1934 659
Agriculture 659
Art 659
Bibliography and Librarianship 659
Biography 659
Business, Finance and Trade 660
Children's Books 660
Education 660
Fiction 661
Grammar and Textbooks 661
History 661
Industries (not including Agriculture and Mining) 662
Law 663
Literature—Essays, Addresses, Etc. 663
Medicine 663

Page
Mining and Metallurgy 663
Philosophy and Psychology 664
Poetry and Drama 664
Political Economy, Politics and Current Events 665
Religion 666
Science 666
Sport 667
Statistics and General Works 667
Transportation 667
Travel and Description 667
French-Canadian Books 668
1935 671
Agriculture 671
Art, Music and Architecture 672
Bibliography and Librarianship 672
Biography 672
Business, Finance and Trade 673
Children's Books 673
Education 674
Fiction 674
Grammar and Textbooks 675
History 675
Indians 676
Industries (not including Agriculture and Mining) 676
Law 677
Literature—Essays, Addresses, Etc. 677
Medicine 678
Mining and Metallurgy 678
Philosophy and Psychology 678
Poetry and Drama 678
Political Economy, Politics and Current Events 680
Religion 681
Science 681
Sport 682
Statistics and General Works 682
Transportation 682
Travel and Description 682
French-Canadian Books 683
1936 687
Agriculture 687
Art and Music 687
Bibliography and Librarianship 687

Page

Biography 687
Business, Finance and Trade..... 688
Children's Books 689
Education 689
Fiction 689
Grammar and Textbooks..... 690
History 691
Indians and Eskimos..... 692
Industries (not including Agriculture and Mining)..... 692
Law 692
Literature—Essays, Addresses, Etc..... 693
Medicine 694
Mining and Metallurgy..... 694
Philosophy and Psychology..... 694
Poetry and Drama..... 694
Political Economy, Politics and Current Events..... 695
Religion 696
Science 697
Sport 697
Statistics and General Works..... 697
Transportation 697
Travel and Description..... 698
French-Canadian Books 698

TRANSPORTATION
INDUSTRIAL AND FINANCIAL SUPPLEMENT

Canadian Pacific Railway Company: Presidential Address of E. W. Beatty, K.C., LL.D., at the 54th Annual Meeting, and Report for the Year Ended Dec. 31, 1934.....S 2

Canadian Pacific Railway Company: Presidential Address of Sir Edward Beatty, G.B.E., at the 55th Annual Meeting, and Report for the Year Ended Dec. 31, 1935.....S 19

The Consolidated Mining and Smelting Company of Canada Limited: Metallurgical and Chemical Operations.....S 41

Canadian Industries Limited: Twenty-Seventh Annual Report for the Year Ended 31st December, 1937.....S 51

Imperial Oil Limited: Developments and Operations as submitted to The Tariff Board of Canada, November 4th, 1935.....S 61

Canadian Manufacturers' Association: The Annual General Meetings of 1935 and 1936.....S 72

Page

The Canadian Bank of Commerce: "Demand for World-Wide Tariff Revisions", Annual Addresses.....S 84
Imperial Bank of Canada: Business Reviewed at The Sixty-Third Annual Meeting .....S 94
The Bank of Toronto: "Present Outlook More Favourable", The Eighty-First Annual Meeting.....S 98
The Bank of Nova Scotia: 105th Annual Report, General Statement as at December 31st, 1936.....S 102
Osler and Hammond: International Stock Brokers of Toronto, Founded by Sir Edmund Osler in 1867.....S 104
The Canada Life Assurance Company: Ninety-Two Years of Progress 1847—1939, Insurance in Force: Over $800,000,000.....S 109
Sun Life Assurance Company of Canada: Founded in 1865.....S 111
Confederation Life Association: Business in Force Over $398,000,000, Founded in 1871.....S 114
The Imperial Life Assurance Company of Canada: Forty Years of Progress 1897—1937 .....S 116

SPECIAL SKETCHES
SUPPLEMENT

A 4,000-Mile Flight Through Northwestern Canada By Charles Camsell, C.M.G., LL.D., Deputy Minister of Mines.....S 118
The Macmillan Company of Canada Limited: A Great Canadian Publishing House .....S 126
The National Gallery of Canada: Outcome of the Foundation by the Marquis of Lorne of The Royal Academy of Arts.....S 129
The Architectural Conservancy of Ontario: School of Architecture, University of Toronto.....S 132
Cricket in Canada by Crauford Martin.....S 134
St. George and Merrie England by Charles Rupert Sanderson at the 105th Annual Dinner of The St. George's Society of Toronto.....S 138
The English-Speaking Union.....S 146

DISPLAY ADVERTISEMENTS

Canadian National Railways, Montreal.....S 148
Canadian National Railways, Montreal.....S 149
Canadian Pacific Railway, Montreal.....S 150
Canadian Pacific Railway, Montreal.....S 151
The Ritz-Carlton, Montreal .....S 152
The Canada Permanent Trust Company, Toronto.....S 153

Page

Dominion Securities ..... S 154
H. R. Bain & Company, Toronto ..... S 155
F. J. Crawford & Company, Toronto ..... S 156
The Manufacturers Life Insurance Company, Toronto ..... S 156
North American Life, Toronto ..... S 157
University of Toronto, Toronto ..... S 158
School of Higher Commercial Studies, Montreal ..... S 159
The Canadian Annual Review, Toronto ..... S 159
Houston's Standard Publications, Toronto ..... S 160
The Heaton Publishing Co., Toronto ..... S 161
The Copp Clark Company Limited, Toronto ..... S 162

INDICES

Index of Names and Affairs ..... S 163

ILLUSTRATIONS

Page

The Canadian Railway Centenary of 1936: scene at Laprairie, Quebec, on July 21, 1836, as the first train of the Champlain and St. Lawrence Railroad started on its inaugural run to St. John's, Quebec ..... Frontispiece

The Consolidated Mining and Smelting Company of Canada, Limited: General View of Smelter, Trail, B.C. ..... S 46

The Consolidated Mining and Smelting Company of Canada, Limited: Chemical and Fertilizer Plant, Trail, B.C. ..... S 50

The Bank of Toronto, Toronto ..... S 98

Sir Edmund Osler, Founder of Osler and Hammond ..... S 104

F. G. Osler, Esq., Senior Member of Osler and Hammond ..... S 104

R. A. Smith, Esq., Partner, Osler and Hammond ..... S 106

H. C. Hammond, Esq., Partner, Osler and Hammond ..... S 106

Sir Augustus Nanton, Head of Osler, Hammond and Nanton, Winnipeg ..... S 106

Map of Aerial Expedition Undertaken in 1935 by Charles Camsell, C.M.G., LL.D., Deputy Minister of Mines for Canada ..... S 119

Group at Fort Hearne, Coronation Gulf ..... S 120

The Aeroplane Party: W. Sunderland, C. H. Dickens, O.B.E., A. D. McLean, and Charles Camsell, C.M.G. ..... S 120

Fort Simpson at the Junction of Mackenzie and Liard Rivers ..... S 124

Charles Camsell, Esq., C.M.G., Deputy Minister of Mines, Canada ..... S 124

Hugh S. Eayrs, Esq., President, The Macmillan Company of Canada, Limited ..... S 126

St. Martin's House, Toronto ..... S 126

H. S. Southam, Esq., C.M.G., Chairman, The National Gallery of Canada ..... S 129

Eric Brown, Esq., Director, The National Gallery of Canada ..... S 129

From The National Gallery of Canada Collection: Veronese (Paolo Cagliari) 1528-1588, No. 4268. The Rest on the Flight into Egypt ..... S 131

From The National Gallery of Canada Collection: Hyacinthe Rigaud, No. 4310. Family Group ..... S 130

St. Andrew's Church, Niagara-on-the-Lake ..... S 132

THE
CANADIAN ANNUAL REVIEW
OF
PUBLIC AFFAIRS
1935 and 1936

FEDERAL ADMINISTRATION AND POLITICS

Introduction: Dominion Public Affairs during 1935 and 1936

The two-year period under review witnessed, before the end of 1935, a change from a Conservative to a Liberal Administration in Canada. Following the defeat of the Government (Bennett) in the General Election of October, 1935, the Rt. Hon. William Lyon Mackenzie King, after an absence of five years from office, again was entrusted with the formation of a Cabinet. Its composition was announced on Oct. 23.

The notable achievement of the Conservative Government, headed by the Rt. Hon. R. B. Bennett, during their last ten months in office, was their sweeping economic reform programme which received the approval of Parliament. It included the establishment of an Employment and Social Insurance Commission, empowered to deal with the whole national problem, and a Dominion Trade and Industry Commission, authorized to suppress unfair and unethical practices in business and to co-operate in adjusting existing merchandising laws; the further facilitating of extension of credit to farmers; and an effort to improve conditions for Canadian workers in the way of wages and hours of work and rest. Preliminary consultations had been in progress with the Government at Washington relating to reciprocal trade matters and efforts toward a settlement of a trade dispute with Japan had been made during the months preceding the General Election.

Major accomplishments of the new Liberal Administration during their first two months of office included the consummation of a trade agreement with the United States; the settlement of the trade dispute with Japan; and a Dominion-Provincial Conference on economic affairs. References with regard to the constitutionality of eight of the reform measures of the 1935 Session were placed by the new Administration before the Supreme Court in 1935; judgment was rendered in 1936 and subsequent appeals were carried to the Privy Council. The establishment of a National Employment Commission; the unification of operations of seven

Canadian harbours; the promotion of agricultural settlement and the development of other resources in the interests of unemployment relief; these were outstanding items of the Liberal Administration in 1936.

In the field of Imperial relations the two years were particularly remarkable. In 1935 there were the Silver Jubilee Celebration of the Coronation of King George V in May, at which Mr. Bennett (Prime Minister) represented Canada, and the appointment of Mr. John Buchan (later created Baron Tweedsmuir of Elsfield), Member of the British Parliament, noted historian and novelist, as Governor-General in succession to the Earl of Bessborough who had held the office since April, 1931. In 1936 occurred the death of King George V; the succession and abdication of King Edward VIII; and the proclamation of his brother, the Duke of York, as King. Canada's position in the British Commonwealth of Nations under the Statute of Westminster necessitated several legal changes. As Parliament was not sitting on any of these occasions these changes were made by Order-in-Council and confirmed later by Parliament. In addition, there were the customary releases and renewal of oaths by officials throughout the nation.

The Conservative Administration: Mr. Bennett as Prime Minister to October 23, 1935

As the Sixth and last Session of the Seventeenth Parliament of Canada would open on Jan. 17 and as it would dissolve by flux of time on Aug. 18, 1935, Members naturally had the next General Election uppermost in their minds during the first weeks of that year. The Prime Minister, the Rt. Hon. R. B. Bennett, set the pace by a series of five radio broadcast addresses beginning on Jan. 2. In the first he announced, in a general way, certain reform legislation which the Government contemplated introducing in the coming Session. He reminded his radio audience of the Conservative measures which had palliated the hardships of the people during the five years of 1930-34; these, he declared, had preserved intact the industrial and financial structure of Canada and had prepared the way for the reform enactments he had in view. The time had come, he said, for a radical change in the policy of the Administration. Governmental control and regulation of the economic system were required in order to bring about re-employment and to do away with relief measures. The dole, he stated, "was a condemnation of our economic system. If we cannot abolish the dole, we should abolish the system." He declared that faults in the capitalistic system had been seized upon by the unscrupulous and greedy as vantage points in their battle for self advancement, and that the Government intended to remove these faults so as to put a final stop to the unfair practices which they made possible. (*The Gazette,* Montreal, Jan. 3, 1935).

In his second address on Jan. 4 Mr. Bennett sketched, in eight concrete features, his social and economic reform programme: (1) enactment of a Federal law governing hours of work and rates of wages; (2) curtailment by heavier taxation of the incomes of non-producers (persons living by dividend and interest payments) in order that a larger share of the national income might be diverted to active workers, whether of the overall or "white-collar" classes; (3) provision for special compensation for workers displaced from industry by the increasing use of machinery; (4) unemployment insurance; (5) accident, sickness and health insurance; (6) redrafting of the Old Age Pensions law so as to provide better service; (7) abolition of child labour; (8) a legislative programme, to be amplified later but

already launched in the form of the Debt Adjustment Act, in the interest of the agriculturist. As was the case in his opening address, Mr. Bennett's argument on behalf of the programme thus outlined was an appeal to social justice: "If all our scientific improvements, our intensive organization, our mechanical triumphs, all the devices which make for increased production and simplification of production—if all these things do not help the worker to greater happiness and to a better and healthier life, what is the use of them?" (*The Mail and Empire,* Jan. 5, 1935).

Mr. Bennett promised in his third radio address, on Jan. 7, that the Government would propose legislation in Parliament which would: (1) extend further the operations of the Farm Loan Board to provide low-cost agricultural credits; (2) reorganize the Civil Service of Canada, the first step to be the creation of a Department of Communications; (3) provide for the setting up of an economic council to be known as "The Economic Council of Canada"; (4) broaden the application of the Natural Products Marketing Act in the light of experience gained in its experimental stages; (5) implement the recommendations of the Price Spreads and Mass Buying Commission when presented; (6) ensure fair play between producer and consumer, and between industry and the public. (Canadian Press dispatch, *The Mail and Empire,* Jan. 8, 1935). In explaining the advantages derived from the operation of The Natural Products Marketing Act, Mr. Bennett stated: "A vicious attempt has been made in this country to discredit the scheme because of its alleged interference with individual liberty. Do not forget that in the history of social reform it is difficult to name a time when reactionary interests have not sought to block progressive measures by the specious argument that, by them, personal liberty was endangered." In conclusion, he said: "You have not heard of the consumers of this country objecting to this reform measure. No, my friends, the objection to this measure has not come from them. Objection comes from the people who cannot adjust themselves to changed conditions. There are interests which distrust and fear the farmers' organizations just as in the last century there were interests which deprecated the growth of labour unions."

Legitimate business enterprise would be assisted and trade recovery accelerated by a proper use of the facilities of Canada's new central bank, the Prime Minister declared on Jan. 9 in his fourth radio address. He promised war upon avaricious industrialists, unscrupulous big business wizards and financial promoters who believed that the people should be selfishly exploited. He forecast steps to put Governmental finances in order, both Dominion and Provincial. Amendments to the Companies Act, he stated, would be introduced at the forthcoming Parliamentary Session, which "with the co-operation of the citizens of Canada, would stamp out evils in corporations operating under Dominion authority." He denounced the evils of "stock watering" as constituting a definite impairment of the economic system. "Notwithstanding the legislation of recent years", he continued, "the protection of the investor must be improved. It is still inadequate. There must be stricter Governmental regulation of finance in this field so that improper practices may be detected in time and effectively dealt with. The ravages of the promoter who operated in the period of 1929 to 1930, cannot now be repaired, but we can at least see to it that he does not again operate in the same way." Mr. Bennett closed his fourth address with a reference to those who might describe his reform policies as "radicalism". He anticipated that charge. "Selfish men, corporations without souls, those fearful that this Government might impinge upon what they have come to regard as their immemorial right of exploitation,

will whisper against us," he said. "We fear them not. The lives and the happiness of too many people depend upon our success to allow the selfishness of a few individuals to endanger it." (*The Globe,* Jan. 10, 1935).

In his earlier addresses Mr. Bennett confined himself to a discussion of existing conditions and to his proposals to remedy them. In the fifth and last, on Jan. 11, he concentrated on the politics of the situation which the electorate of the Dominion was facing. He threw down the gauntlet of reform as the sole issue between the two principal parties. "Liberalism", he stated, "is Toryism in the reactionary sense of the term, just as present-day Conservatism is Progressivism in the best and most constructive sense of the term." He charged that present-day Canadian Liberalism of the school upheld by the Rt. Hon. W. L. Mackenzie King, presented the danger to Canada of Fascism, through its belief in unrestricted capitalism—in industrial *laissez faire.* "In Canada", he declared firmly, "there is no room for Fascism." (*The Mail and Empire* of Toronto inferred that the Prime Minister's statement was a reply to *The Gazette* of Montreal which, in seeking to stir up opposition to Mr. Bennett's policy, had credited him with dictatorship intentions).

These pre-election-campaign addresses were carried in full in most of the principal newspapers of Canada; in others, several columns were devoted to summaries. Never before, in Canada, had any political appeal, on the air or otherwise, reached so large a proportion of the electorate.

Aside from an address, which was a repetition of his reform programme in a condensed form, before a large meeting arranged by the Young Conservative Club of Montreal on Jan. 15 the Prime Minister made no further public utterances before the opening of Parliament on Jan. 17 (1935). He did so, however, on the 23rd, in Montreal, at the Seventeenth Annual Meeting of the Canadian Construction Association, when he forecast an extension of the Public Works programme initiated in the previous year. He referred to the proposed unemployment legislation then before Parliament; and reminded his audience of the immense sum spent on relief measures since 1930. In the same City on Jan. 26 before a Board of Trade meeting, he expressed his belief that the capitalistic system could be saved and made efficient if given a new social concept. "We must have social ideals as distinguished from what we have called the individual right" (Canadian Press dispatch, Jan. 27, 1935).

Two days later at the Annual Meeting of The Toronto Board of Trade, Mr. Bennett placed before his audience the record of his Administration during the four and a half years of office. He mentioned, in particular, the Government's negotiations for trade treaties and their efforts to fulfil the recommendations of the Royal Commission on Railway affairs. He declared that they had done their best to expand international trade, reminding his listeners that Canada was a debtor nation and as such had to pay in the terms of its contracts. He drew attention to the implications of trade agreements which fell within the scope of the "favoured nation class." The solution of the railroad problem, he stated, was "the problem of the business men of Canada. Its solution far transcends the importance of any political party." In advocating the removal of the abuses and inequalities in the capitalistic system in order that it might survive, Mr. Bennett again stated his belief that "if we do not remove the exploitation of material things and of human beings we are doomed. . . . I do not believe in Socialism or Communism but I do believe it is not possible to prevent their becoming part of our economic life unless we take the steps I have suggested." (*The Mail and Empire,* Toronto, Jan. 29, 1935).

At a meeting of the Canadian Society of New York on Feb. 16 the Prime Minister stated in the course of his address, "Current Events at Home and Our Plans for the Future", that the expressed desire of the United States Government to enter into trade negotiations with the Government of Canada "has been received with the utmost satisfaction in all parts of our Dominion, and I promise you that in the fuller practical manifestation of this principle of economic co-operation, you will not find us laggard." (Canadian Press dispatch, Feb. 18, 1935).

"Political Paradoxes of our Day" was the subject of Mr. Bennett's Rectorial address to the students of Queen's University, Kingston, on Feb. 19. Speaking again, on Feb. 23, to a youthful audience at a banquet of the Second Annual Convention in Toronto of the Federation of Young Conservative Clubs of Ontario, he warned the group of 2,500 young men of the need to organize for the coming General Election.

The Prime Minister had been suffering from a severe cold when he left the House of Commons on Friday, Feb. 22 and two days after his return from Toronto he became ill with an acute respiratory affection. Improvement in his condition was observed for a few days; then he suffered a syncopal attack on Mar. 7. After four weeks in bed, he had recovered sufficiently to leave his sick room on Apr. 4 and indulge in mild exercise. At the end of another two weeks there was pronounced improvement in his health and on the 16th, assisted by his sister, Mrs. W. D. Herridge, he was host at The Chateau Laurier to members of the Press to whom he gave an outline of his future plans with particular reference to the Silver Jubilee of the Coronation of King George V at which he would represent Canada. Two days later he left for New York where he took a steamer to England.

Mr. Bennett at the King's Silver Jubilee

Upon his arrival in London, on Friday, Apr. 26, Mr. Bennett was invited to be a week-end guest of His Majesty at Windsor Castle. He had been met at Paddington Station by Mr. R. A. Butler, Parliamentary Under-Secretary of the India Office, representing the Prime Minister, the Rt. Hon. Ramsay MacDonald; by Rear-Admiral A. Bromley, representing the Secretary of State for the Dominions, the Rt. Hon. J. H. Thomas; by Sir E. S. Harding, Permanent Under-Secretary of State at the Dominions Office; and by Mr. G. P. Vanier, representing the Canadian High Commissioner to London, the Hon. G. Howard Ferguson. On May 8, he attended a Royal Levee at St. James's Palace and, on the same day, spoke in an Empire broadcast during which he urged greater co-operation in trade matters between nations of the British Empire as a solution of some of their economic problems. On May 9 he had an audience with the King; attended a meeting of Prime Ministers of the Empire at which the international situation was discussed; and, in the evening, he was a guest at a State Dinner at Buckingham Palace.

Throughout the Jubilee ceremonies which extended over several days, Canada's Prime Minister was consistently conceded precedence over the representatives of the other Dominions. He stood close to the Royal Family at the great Thanksgiving service in St. Paul's Cathedral. As the premier statesman from Overseas he led the procession of Dominion and Colonial Ministers at the Westminster Hall, the St. James's Palace and other functions. He was the first of the Empire Prime Ministers to leave for home, sailing from England on May 10.

He reached Ottawa at noon on Saturday, May 18, where he was greeted at the station not only by his colleagues, but also by a large

number of citizens irrespective of politics. On the steamer coming up the St. Lawrence, he had accorded an interview to newspaper men during which he was asked if the Dominions had made any commitments with regard to foreign policy and Imperial defence. His reply had been: "The European situation is difficult and dangerous. Great Britain has continued to pursue a policy of peace, to the extent of rendering insecure her defences on land, at sea and in the air. Other nations have increased armaments. In an earnest desire to effect an agreement for collective security, her statesmen have refrained from taking any step to protect the defences of the Island, hoping for universal peace. So far as we are concerned, they made known to the Prime Ministers what conditions were, and what had been done. The statement that an effort was made by Great Britain to influence the Dominions' Governments as to foreign policy and what they should, or should not do, is utterly false. No decisions were taken. No commitments were either sought or given. It will be my first duty to advise my colleagues in the House of Commons of this." Concluding, he declared: "I did not talk with any reporters in England with regard to foreign policy."

Mr. Bennett's Return to the House

On the afternoon of May 20 the Prime Minister went to the House for the first time since his illness. Here the unstinted warmth and enthusiasm of his reception by Members of all Parties, left him visibly affected. Mr. Mackenzie King (Leader of the Opposition) and Mr. Gardiner (Leader of the Independent group) both won great applause by the generous terms of their welcome. In his address Mr. Bennett spoke feelingly of the greeting accorded him by his fellow Members and acknowledged with gratitude the prayers of the people on his behalf. He then discussed the European situation and, finally, the condition of his health.

In the House the next day Mr. Bennett made a statement in refutation of an intimation of *The Toronto Daily Star* that the public had not been given an opportunity to participate in a recent Dominion loan transaction. The Prime Minister explained that the greater proportion of the loan had been subscribed by the general public through the dealers. "The statement," he said, "that the large financial institutions and the Government had participated in a 'mystery loan' was wrong. The chartered banks were allotted only 16.1 per cent. or $9,657,000 of the total of $60,000,000 . . . " Only three insurance firms, he explained, had been included in the applications for loans. "Their total subscriptions placed through dealers amounted to only $1,525,000." Insurance and other financial institutions, he further explained, had since made purchases from original subscribers. One case had come to the attention of the officials, Mr. Bennett stated, "in which three insurance companies purchased bonds to the extent of over $1,000,000 from original subscribers to the loan."

At the close of this statement Mr. Bennett was asked by the Hon. W. D. Euler (former Minister of National Revenue) whether, in view of the success of the $60,000,000 domestic loan, "at such favourable rates of interest", it would not be a propitious time to refund the balance of the Canadian Debt upon which the Government were paying such high interest. Answering, the Prime Minister reminded the House that these loans matured not only in Canada but in the United States and London. "With respect to the loans maturing in Great Britain," he said "when I was in that country last Fall the brokers for the Dominion of Canada represented that we could usefully and, shall I say, gainfully provide for conversion, and we took up the matter. The public credit of Canada was injured to

some extent in London by the Vancouver incident,* so called, but whatever was left was completely destroyed by the action of the Legislature of Ontario.† For the information of the House I may say that we were prepared to carry out the conversion of the £28,000,000 which will mature at an early date but in consequence of the passing of that particular legislation this matter had to be abandoned. Any one who has an opportunity of visiting the City of London will find the condition which now prevails there with respect to our credit and will realize that the situation is extremely difficult. The loss involved to the Dominion of Canada through the necessity of abandoning the conversion which had been provided for will amount to $700,000 *per annum* for the next twenty years." (*Hansard, May 21, 1935*).

Both the Prime Minister of Ontario and the Mayor of Vancouver, in Press interviews, defended their respective positions. Mr. Hepburn claimed that Canada's credit had never stood higher than at that time and that the determination of the Ontario Government to balance their Budget was meeting with the whole-hearted approval of the investing public. Mr. McGeer claimed that conditions generally throughout the Dominion and imminent unemployment strikes had made his action necessary.

Referring to the subject, editorially, on May 23, *The Gazette* (Montreal) said: "It is impossible to over-stress the gravity of the statement made to the House of Commons on Tuesday by the Prime Minister, with reference to the injury which the public credit of Canada has sustained in the money market of the United Kingdom. According to Mr. Bennett, the first blow was struck by the Vancouver incident, meaning Mayor McGeer's interest-reduction demands, and 'whatever was left was completely destroyed by the action of the Ontario Legislature in repudiating hydro contracts' . . . It is more likely that Mr. Bennett has under-stated rather than over-stated the case in regard to the attitude of the London market. That market was closed to Canadian Government flotations for twenty years prior to the late Summer of 1933 when an issue of £15,000,000 of 4 per cent. registered stock was sold at par. A further issue of £10,000,000 of 3¼ per cent. registered stock was issued in London in May of last year (1934) at a cost of 3.48 per cent. When the first of these issues was over-subscribed the reopening of the British market to Canadian public issues was heralded as a step of the greatest possible importance to the Dominion's economic progress. During the long interval which had preceded this successful flotation, Canadian credit, so far as the London market was concerned, had been slowly convalescing after suffering very severely from the resentment occasioned by what was considered unfair treatment of Grand Trunk Pacific 4 per cent. preference stock held by British investors, plus the decision in the case of holders of common stock in the old Grand Trunk system. The memory of the Old Country investor is fairly long and capital is at all times a very sensitive thing, so that the reception of the Canadian loan in 1933 was considered an event of outstanding significance, as, indeed, it would have been but for subsequent developments here."

The financial editor of *The Times*, London, (May 23, 1935) also referred to the matter. Approving Mr. Bennett's attack on the policies of Mr. Hepburn and regretting the failure of Canada to refund her London loan, he said that the feeling was growing in London that the existing financial

NOTES.—* Mayor McGeer approved arbitrary reduction of the interest rate on outstanding bonds.
† Repudiation of the Quebec power contracts.

condition of the Dominion resembled that of Australia before the formation of the National Government there. "Canada has grave problems such as railway deficits; the St. Lawrence Waterways question; reorganization of the pulp and paper industry; and the inclination of some Provinces like Alberta to favour monetary experiments of an unusual nature; all due to the long period of depression which has made unthinking people sympathize with financial defaults and other recklessness. . . . Common action to arrest these dangerous tendencies seems to be called for and in this task all Parties should be able to co-operate for the benefit of the country."

The Prime Minister's Activities, July—October, 1935

During Mr. Bennett's illness there had been a good deal of gossip in Ottawa about his retirement—a new Leader, a Union or National Government etc., etc. These rumours were revived after his return from England, partly on account of a report of a steamship interview with members of the Press on his way home to Quebec, when the Prime Minister, queried as to his health, had stated that he would have to "feel" his way as to his capacity for work. "I saw two specialists in London—the best in their line—and they reported that my heart was organically sound. It is, however, a tired heart. Just what I will be capable of accomplishing remains to be seen." Another reason for these speculations was that upon his return to Canada, he had refrained for a week or so from too much activity—he did not attend the House in the evening. But it was not long before he took up political duties with his former zest. He made a long and vigorous speech on June 12 on the second reading of the Bill to provide for a Canadian Wheat Board.

Definite assurance that only a breakdown in health would prevent his continuing as Leader of the Government was given by Mr. Bennett on June 19 at a complimentary banquet tendered him by Conservative Members of the House of Commons and Senate. On the morning of Prorogation, July 5, Mr. Bennett met his followers in caucus and addressed them for over an hour, in what was said to have been a "great fighting speech." Following the caucus he said, in a Press interview: "I told them that I shall continue to lead them as long as my health permits." Members of the Party said that the Prime Minister had used even more emphatic language. They quoted him as saying: "I'll die in harness rather than quit now. We have a record to be proud of."

After the close of the 1935 Session on July 5, the Prime Minister immediately plunged into preparations for the General Election, dealing, at the same time with a multiplicity of public affairs. Parliament was dissolved by proclamation on Aug. 15 and the General Election set for Oct. 14. In consequence of appointments and retirements Mr. Bennett made several changes in his Cabinet.

In the new Cabinet appointments, Mr. Geary succeeded the Hon. Hugh Guthrie who was made Chairman of the Board of Railway Commissioners; Mr. Lawson succeeded the Hon. R. C. Matthews, who had announced, during the 1935 Session, that, owing to ill-health, he would not seek re-election; Mr. Ernst's appointment was to a post that had been vacant for some time; Mr. Gobeil's appointment as Postmaster-General was due to the elevation of the Hon. Arthur Sauvé to the Senate; Mr. Gendron succeeded the Hon. Alfred Duranleau who was appointed to the Superior Court of Quebec; Mr. Rowe and Mr. Gagnon had both been Members of the House, the former for Dufferin-in-Simcoe and the latter, for Dorchester.

Completed on Aug. 17, the Cabinet was as follows:

Prime Minister, President of the Privy Council and Secretary of State for External Affairs	The Rt. Hon. R. B. Bennett, P.C.
Minister without Portfolio	The Rt. Hon. Sir George Perley, G.C.M.G.
Government Leader in the Senate and Minister without Portfolio	The Rt. Hon. Arthur Meighen, P.C.
Minister of Justice and Attorney-General	The Hon. G. R. Geary, K.C., O.B.E., M.C.
Minister of Finance	The Hon. E. N. Rhodes, LL.B., D.C.L.
Minister of Railways and Canals	The Hon. R. J. Manion, M.C., M.D., C.M.
Postmaster-General	The Hon. Samuel Gobeil
Minister of Public Works	The Hon. H. A. Stewart, K.C.
Secretary of State	The Hon. C. H. Cahan. LL.B., LL.D.
Minister of Pensions and National Health	The Hon. D. M. Sutherland, M.B., D.S.O.
Minister of the Interior and Superintendent-General of Indian Affairs	The Hon. T. G. Murphy
Solicitor-General	The Hon. Maurice Dupré, K.C., LL.L.
Minister of Labour and Mines, and Acting Minister of Immigration and Colonization	The Hon. Wesley A. Gordon, K.C.
Minister of Agriculture	The Hon. Robert Weir
Minister of National Revenue	The Hon. J. Earl Lawson, K.C.
Minister of Trade and Commerce	The Hon. R. B. Hanson, LL.B., K.C.
Minister of National Defence	The Hon. Grote Stirling, C.E., M.E.L.C.
Minister of Fisheries	The Hon. William G. Ernst, K.C.
Minister of Marine	The Hon. L. H. Gendron, K.C.
Minister without Portfolio	The Hon. Earl Rowe
Minister without Portfolio	The Hon. Onesime Gagnon, K.C.

In announcing the changes Mr. Bennett was careful to point out that they did not constitute a reorganization of his Ministry but simply a filling of the vacancies which had occurred. "Following the usual precedent," he said "the Government will be reorganized after the Election and an opportunity will then present itself to recognize the services of the Solicitor-General and other members of the Cabinet as at present constituted who serve without being attached to any Department." Mr. Rhodes remained as Minister of Finance but only temporarily; he, too, had announced that, owing to ill-health, he would not seek re-election.

After Prorogation the machinery of the Dominion Housing Act had been put into shape under the direction of the Hon. E. N. Rhodes, Minister of Finance, and Dr. W. C. Clark, Deputy Minister; by Aug. 28 it was in operation and a few days later the Department issued a list of approved lending companies with which the public might do business under the Act. The Farm Loan Board had been reorganized in May under the amended legislation of 1935. Other Government appointments before the General Election included the Employment and Social Insurance Commission, composed of Col. G. S. Harrington of Halifax, Mr. Tom Moore of Ottawa (President of the Trades and Labour Congress of Canada) and Mr. N. R. Baudet of Montreal; the Dominion Trade and Industry Commission—the Tariff Board was to take over this work in conjunction with its own; the Canadian Wheat Board, headed by Mr. John I. McFarland of Calgary and Messrs. D. L. Smith and H. C. Grant; three Deputy Ministers: Messrs. James M. Wardle, John A. Sullivan and R. K. Smith; Mr. Charles Gauvreau, K.C., as Vice-Chairman of the Canadian Radio Commission; Members of the Canadian delegation to the next meeting of the League of Nations Assembly at Geneva: Mr. J. H. Woods, C.M.G., Prof. Edouard Montpetit and Miss Winnifred Kydd, C.B.E.; Mr. Hector McKinnon as Commissioner of Tariffs; Mr. J. R. MacGregor as Secretary of the Tariff Board; and the following as Members of the Senate: Messrs. A. J. Leger, B. F. Smith, J. T. Haig, Emile Fortin, Charles Bourgeois, F. P. Quinn, J. L. P. Robichaud, Donald Sutherland, James Arthurs, John A. Macdonald, George B. Jones, the Hon. E. N. Rhodes, the Hon. Arthur Sauvé, Col. H. A. Mullins, Dr. Eugene Paquet, Col. Thomas Cantley and Mrs. Iva Campbell Fallis.

Meantime, the Prime Minister (Mr. Bennett) had been concerned with Canada's trade relations with other countries. Reciprocal trade

arrangements with five Central and South American republics were made public on July 27. Negotiations with the United States for a trade agreement, which had started early in the year, were continued; the main basis of these was disclosed by the publication, on Sept. 7, of the Notes exchanged between the Hon. W. D. Herridge, Canadian Minister at Washington, and the Hon. Cordell Hull, Secretary of State for the United States. Discussions were still underway between the United Kingdom and Canada for the continuance for another year of the arrangement whereby Canada received a preference in that country for oats. The trade dispute with Japan, frequently mentioned during the 1935 Session, was still unsettled, as indicated by a statement of Mr. Bennett, to the effect that the Government of Canada would consider the imposition by Japan of a surtax on Canadian goods as a violation of the equal treatment guaranteed by the Anglo-Japanesc Treaty of 1911. After discussing in July certain aspects of the Trade Treaty between Canada and Australia with the Hon. Joseph Lyon, Prime Minister of the Commonwealth, who was in Ottawa on his way from the Silver Jubilee celebration in London, the Canadian Government was in a position to announce, on Sept. 27, that Australia had made important abolitions and reductions of primage duties on numerous Canadian products. Another statement pertaining to Canadian trade was issued by the Government on Sept. 23; it gave details of a scheme to aid Canadian dairymen, through control of dairy butter exports, mainly to the United Kingdom, and to prevent a possible glut of domestic holdings.

During the last five weeks before the Election at which the Government was defeated, Mr. Bennett devoted his time exclusively to his campaign. Shortly after the resignation of his Cabinet on Oct. 23, he visited his constituency and then left for California, his first actual holiday since 1930, returning to Ottawa on Dec. 12. Two days later, as had been his custom since 1928, he addressed the Dominion Commercial Travellers' Association at their annual banquet.

The Sixth Session of the Seventeenth Parliament

The opening of the Sixth Session (Jan. 17-July 5, 1935), was marked by several unusual features. One of them was that it was necessary for the House of Commons, in the dying days of this Seventeenth Parliament to elect a Speaker. Two days before, the Hon. George Black had announced his resignation as Speaker owing to ill health, partly due to war experiences. He had presided over the House since 1930 and represented the Yukon since 1921. Mr. James L. Bowman (Conservative Member for Dauphin, Man.) was unanimously elected Speaker, the choice being supported by the Leader of the Opposition (Rt. Hon. W. L. Mackenzie King).

During the Recess five vacancies had occurred in the representation, namely, the Hon. Peter Heenan (Lib., Kenora-Rainy River), by resignation in order to accept the Portfolio of Minister of Lands and Forests for Ontario; and the following by death: Messrs. W. A. Black (Cons., Halifax). W. D. Cowan (Cons., Long Lakc), J. A. Denis (Lib., St. Denis) and G. B. Nicholson (Cons., Algoma East).

Five new Members were introduced to the House; four of them were Liberals, namely, Messrs. W. P. Mulock (North York), C. A. Campbell (Frontenac-Addington), W. H. Mills (West Elgin), and H. B. McKinnon (Kenora-Rainy River). The fifth, a Conservative, was T. L. Church (East Toronto).

Another feature of the Proceedings was that the courtesy of the House of Commons was extended to the Rt. Hon. Sir William Mulock, P.C., Chief Justice of the Supreme Court of Ontario and formerly a Cabinet Minister under Sir Wilfrid Laurier. Sir William sat just to the left of the Speaker to witness the swearing in of his grandson, Mr. William Pate Mulock, as one of the new Liberal Members.

The Government's programme of reform measures to be introduced during the Session was disclosed in the Speech from the Throne. They were a part of the comprehensive plan designed "to remedy the social and economic injustices now prevailing and to ensure to all classes and to all parts of the country a greater degree of equality in the distribution of the benefits of the capitalistic system." The aims of the suggested legislation were to enlarge the sphere of the usefulness of both The Natural Products Marketing Act and The Farmers' Creditors Arrangement Act; to provide better security for the worker during unemployment, in sickness and in old age; to extend existing facilities for long term and intermediate credit; to safeguard the consumer and primary producer against unfair trading practices and to regulate, in the public interest, concentrations in production and distribution; to provide the investing public with means to protect itself against exploitation; to amend and consolidate the Acts relating to patents and inventions; to authorize the first stage of reorganization of the Government Services; and to establish an Economic Council, the function of which would be to advise the Government upon all national economic questions.

The Speech included references to the early operation of the Bank of Canada; to the survey under way by the Government of the national debt structure for the purpose of determining what action might be practicable and advisable in order to effect further improvement in it; to the supplementary trade agreement negotiated with France; to the renewal of the trade agreement with Austria; to the trade negotiations in progress with Poland; to the pursuance of the policy of consolidating and expanding Empire markets; to the Royal Commissions studying the steps necessary to implement the findings of the Duncan Commission and determining what, if any, compensations should be made to Saskatchewan and Alberta in connection with the handing over of their natural resources; to the survey undertaken by the Government, in co-operation with the Prairie Provinces, in order to find a solution to the grave problem of drought; to the proposed adoption in Canadian penitentiaries of a system similar to the "Borstal System" of England if the Government's investigation as to its operation proved satisfactory; to the desire of the Government to support the policy of peace between nations and to work towards the progressive reduction of armaments and the stabilization of international economic relations.

Action would be taken, the Speech continued, to ameliorate the conditions of labour, to provide a better and more assured standard of living for the worker, to secure minimum wages and a maximum working week; and to alter the incidence of taxation so that it would more directly conform to capacity to pay.

Particular attention was called to the celebration on May 6 of the Twenty-fifth Anniversary of His Majesty's (King George V) Accession to the Throne.

The Address-in-Reply was moved by Mr. W. E. Rowe (Cons., Dufferin-Simcoe) and seconded by Mr. C. N. Dorion (Cons., Quebec-Montmorency). Then the Party leaders went into action.

The Debate on the Address

The Rt. Hon. W. L. Mackenzie King (Opposition Leader) opened the Debate. He attacked the Prime Minister's method of making known to the public by radio broadcasts the Government's social and industrial reform programme before Members of the House had heard the proposed legislation from the Speech from the Throne; and further, he queried "Do we not meet here to-day with statements in the Speech from the Throne with regard to the policy of the present Government which Members of the Government themselves have had no opportunity carefully to consider." Under "the old order," he said, "which the present Prime Minister tells us is gone, a Prime Minister was supposed to have sought and obtained the substantial backing of Members of his own Party voluntarily given, not a backing that had been brought about by some order or command as under a Fascist *régime*." He referred to the withdrawal of the Minister of Trade and Commerce (Hon. H. H. Stevens) from the Cabinet* after he had been "reprimanded" by the Prime Minister for discussing public matters which were still "within the purview of a Committee of the House," especially as he (Mr. Stevens) was Chairman of the Committee; he recalled the Prime Minister's criticism of Mr. Stevens "for attempting to carry on as a Royal Commissioner after having made public statements some of which, if I am not mistaken, the Prime Minister alleges were incorrect." He thought that as Mr. Bennett had been so scrupulous as to the conduct of one of his Ministers, he himself "might have been a little more careful about preserving some of the customs and constitutional usages which are very dear to the hearts of all who love free institutions and want to see them perpetuated in this country."

Coming to the promised reform by the Prime Minister of the capitalist system, the Opposition Leader declared that his (Mr. Bennett's) proposals only touched "the fringe of some of the evils of the system." They did not go "to the heart of the system which, in the main, was responsible for those evils." The essence of the capitalist system, Mr. King stated, was that industrial policy was controlled by capitalists. "But what about the labour investor?" he asked. "Is he to have no consideration in the new order of things?" To reform the capitalist system, Mr. King declared, the way to begin was by sharing between labour and the community as well as capital the control of industrial policy. "Let labour and the community, which are as essential to industry as capital, be represented around a common board to determine the policy that is to govern, and very soon these questions of maximum hours, minimum wages, sweat shops and other evils that unfortunately prevail only too generally, and have done so for generations, will be remedied in the one effective way, namely, by the parties themselves, who are directly concerned, having an effective voice in the determination of the conditions under which they shall work. No changes of the capitalist system which keep the capital investor secure in his position as the controller of industrial policy will ever in this world bring about any reform worthy of the name. It is going to take more than minimum wage laws passed by Parliament, or maximum hour laws, or laws against sweat shops, to bring about the change that is essential in that regard."

The views that he was expressing, the Opposition Leader said, had been for eighteen years before the public; they were contained in a book he had written at a time when he was not in Parliament; they were views which he believed essential to the improvement of industrial institu-

*NOTE.—See *The Canadian Annual Review, 1934*, pp. 38-43.

tions. "The only way we can bring about an effective transformation in industry," he stated, "is to do away with what remains of autocracy and substitute therefor a real democracy in industrial control."

Mr. King attacked the policy of the Government; accused them of attempting to alienate the authority and control of Parliament; and found fault with the delay in the preparation of Election lists.

Quoting from Mr. Bennett's radio addresses, in particular from the Prime Minister's statement as to the time having arrived when the *"laissez-faire"* attitude toward social and industrial problems had to end, Mr. King stated that the Liberal Party intended to continue "to avail itself of both means"—the policy of state intervention and of *"laissez-faire"*. A policy more in the way of *"laissez-faire"* with respect to matters of trade and trade barriers and to restrictions was perhaps most necessary "at the present time" if the proposed reforms were to be made possible. Excessive intervention with the course of trade, he continued, was the cause of existing conditions in Canada: unemployed numbered 117,000 when the Conservative Government came into office; 1,000,000 was the latest figure available for the total receiving direct relief. The Government, he said, had raised tariffs; they had interfered by means of dumping duties, embargoes, quotas, artifical valuations; and by fixing exchange rates; in short, there was "a network of barbed wire entanglements" clear across the country which would have to be torn away if Canada were to have greater freedom of trade.

Mr. King differed from the Prime Minister in the latter's statement that "the keystone of the capitalistic arch was the profit system and the profit system still remains." He (Mr. King) believed that the keystone was the control of a nation's credit and currency.

Speaking of the new central bank, Mr. King declared: "As long as we have a Government standing solidly behind the principle of a privately owned and controlled institution such as the central bank is—a private corporation controlling the currency and credit of the country—we can have no faith whatever in any profession made by the Government when it states that Government intervention, in their mind, is an all-important objective."

Mr. King quoted from *The Gazette,* Montreal, of Jan. 12, 1935, which sustained his contention that he had always interested himself in legislation for the betterment of social evils; that it was his (Mr. King's) crusade against these that had resulted in the creation of the Department of Labour and in the enactment of remedial legislation of various kinds. He stated that practically all legislation pertaining to the Labour Department had been made under Liberal Administrations.

In order to prove his statement that the Prime Minister's reform measures were part of the Liberal policy, Mr. King read selections from a statement that he (Mr. King) had made in the House during the 1930 Session portraying the policies of the Liberal Party. His quotations follow:

"The Liberal Party believes unemployment is Canada's most urgent national problem. It would deal with the present emergency conditions through a representative national commission, which would co-operate with the Provinces and Municipalities in the administration of unemployment relief, and in an endeavour to provide work for the unemployed.

"As permanent measures the Liberal Party is pledged to introduce policies which will serve to provide employment by reviving industry and trade; and to introduce a national system of unemployment insurance.

"It would seek to effect that end, by retrenchment of public expenditures, by reduction of principal and interest on the Public Debt, by a reduction in taxation, and by increasing revenues through the encouragement of trade.

"It will seek to effect a reduction of the cost of Government in Canada by a careful inquiry into Federal, Provincial and Municipal costs."

Mr. King read from *Hansard* of 1933, statements he had made as to Liberal policy in February of that year:

"The Liberal Party will seek to end artificial price control, and agreements in restraint of trade. Price fixing by agreements restrict and hamper trade internally. The internal trade of our country has become honeycombed and enmeshed by secret understandings and agreements.

"The Liberal Party believes the financial mismanagement of industry is largely responsible for many conditions obtaining to-day.

"To prevent exploitation of the public through the sale of watered stock and worthless securities, it believes an investment control board should be established, with supervision of issues of securities by companies incorporated under Federal charters.

"The Liberal Party will seek to further wherever possible those courses in international relations which make for peace and good-will among nations, and promote friendly intercourse between them. It will seek to further the work of the League of Nations.

"The Liberal Party believes that trade is the basis of industrial and commercial development and that Canada needs trade. It will promote trade with all nations and negotiate trade agreements with any countries willing to trade with Canada on a reciprocal basis. It will abolish the extravagant increases in the tariff made by the present Administration, which have had the effect of strangling trade, exploiting consumers and robbing railways of business. It will abolish all unwarranted extra taxes on imports, such as the exchange and dumping duties, as imposed by the present Administration. It will end the making and altering of tariffs by executive action. It will substitute stability for uncertainty in the administration of customs laws . . . .

"It will continue the Liberal policy of British preference by a percentage reduction in existing tariffs rather than by a percentage increase against foreign countries in existing tariffs. It must grant to British imports a real preference.

"Liberalism believes that credit is a public matter, not of interest to bankers only, but of direct concern to the average citizen. It stands for the immediate establishment of a properly constituted national central bank, to perform the functions of rediscount, and the control of currency issue, considered in terms of public need. A central bank is necessary to determine the supply of currency in relation to the domestic, social and industrial requirements of the Canadian people; and also to deal with the problems of international commerce and exchange.

"The Liberal Party stands for the maintenance of the integrity of the Canadian National Railways, as a publicly owned and publicly controlled service.

"The Liberal Party believes that industrial reconstruction is the problem of the future. It will seek in industrial relations as opportunity offers, to give to workers and consumers a larger share in the government of industry.

"The Liberal Party believes that the present crisis has been made an excuse for the usurpation of the rights of Parliament and the assumption of autocratic powers by the Executive. Liberalism stands, as always, for the principle of a free Parliament, and for the supremacy of Parliament. To this end it would repeal the legislation enacted by the present Administration, which deprives Parliament of its control over expenditures and taxation, and invests the Executive with unwarranted arbitrary powers, as for example: (1) legislation permitting the Executive to enact measures by Order-in-Council for peace, order and good government, and (2) legislation providing the Executive with a 'blank cheque' for expenditures of any kind.

"The Liberal Party believes that under the excuse of the present crisis, the rights of the individual have been violated. Liberalism stands, as always, for the British principle of free speech and free association, and to this end will repeal section 98 of the Criminal Code, and end the present practice of arbitrary deportation.

"The Liberal Party stands for electoral laws which will ensure a true Parliamentary representation of the Canadian people, and such legislation as may help to reduce the cost of election campaigns.

"The Liberal Party recognizes that the problem of distribution has become more important than that of production, and believes that personality is more sacred than property. It will devote itself to finding ways and means of effecting a fair and just distribution of wealth with increasing regard to human need, to the furtherance of social justice, and to the promotion of the common good."

These were all policies, Mr. King said, upon which the General Election would be fought.

"I think the British North America Act is a marvellous achievement," continued Mr. King. "I think it has served its purpose well, but it requires amendment. It should be changed in many particulars. The first Amendment should be one which would give this country the right to amend its own constitution. It is the only country, so far as I know, which has not this right. Then there should be other Amendments to enable this Parliament to effect changes in these matters, which, from time to time, will be necessary."

Important as the social reform measures were, Mr. King continued, they should not be permitted to side-track the most pressing problem of to-day, namely, "how those now unemployed may be provided for." Unemployment insurance would be of no benefit to those unable to contribute to it. "Let the House of Commons direct itself first and foremost to dealing with the problem of unemployment," he pressed. He suggested that the Debate be not prolonged; that an opportunity be given the House to begin work on the social and industrial reform legislation immediately; measures, he declared "in which I have been interested, not only on the eve of an election, but throughout my life."

The Prime Minister's (Mr. Bennett's) introductory remarks, in resuming the Debate on the Address on the same day (Jan. 21), were expressions of satisfaction at having been privileged to serve his country during its period of greatest distress and of relief that Canada had emerged from the crisis better than had any other country in the world. It was during this upward grade, this movement of complete recovery, that he felt it to be his duty to introduce in the House such measures as he believed would prevent a recurrence, in part, of those dangers which had been encountered and the obstacles which had been overcome. He spoke of

the difficulties his Administration had encountered upon taking office in 1930: the immediate problem of unemployment and relief; the necessity of raising a loan of $100,000,000 at a cost of over 4 per cent. Adverse trade balances, he stated, were threatening the solvency of Canada. "The markets of the world were closed more against Canada when we came into power in 1930 than they had been at any previous time in the history of this Dominion." Canada had more than maintained its position among the trading nations of the world, during the Conservative *régime*: it was holding, at Dec. 31, 1934, fifth place in volume of trade. By the operation of the Empire Trade Agreements, the Prime Minister stated, Canada had been saved from national bankruptcy.

Mr. Bennett spoke of the trade consultations with the Government of the United States from whom notice had come that they would proceed to negotiate a trade agreement with Canada and, further, that they had fixed a date within which written briefs and oral representations might be made for and against the proposals. He explained that the desire on the part of the United States to lower their tariffs and enter into trade agreements with Canada had been aroused by the tariff action of Canada in 1930 and again in 1932 by the Empire Agreements.

Continuing the Debate on Jan. 22, the Prime Minister explained the comparative figures given by the Opposition Leader as to unemployment for 1930 and 1935: records in 1930 were uncertain; the 1935 figure of 1,000,000 included men, women and children on direct relief, while in 1930 the total of 100,000 were unemployed people. A conservative estimate of unemployed at December, 1934, was a total of 400,000 as compared with 750,000 at the worst point of the depression.

Referring to the Opposition Leader's attack on his (Mr. Bennett's) method of informing the public of his proposed reform measures before Parliament had heard of them in the Speech from the Throne, Mr. Bennett explained that it had been his wish to give an opportunity to the people to express their views to their Parliamentary representatives before the Session opened.

Answering the Opposition Leader's statement as to his adoption of Liberal policies Mr. Bennett declared that when the Conservative Party met in Convention at Winnipeg in 1927 a certain platform was laid down, certain policies were set out and these were all brought to the attention of the Canadian people. "If you will look at those policies as declared at Winnipeg and then look at the Statute books of this country, together with what appears in the Speech from the Throne concerning this Session's programme, you will find that since Confederation there has not been any Government that have carried out in such detail their ante-election promises to a greater extent than have the present Government."

Mr. Bennett said that Mr. King's statement on Liberal policy with regard to British Preference was different from his (Mr. King's) statement in 1919 which was in effect: "Resolution on the tariff: That the British preference be increased to 50 per cent. of the general tariff, and the Liberal Party hereby pledges itself to implement by legislation the provisions of this Resolution when returned to power." The Prime Minister accused Mr. King of forgetting his promise; of going to England to attend an Economic Conference in 1923, and there proposing a preference—but not a 50 per cent. one.

Answering arguments of Mr. King advanced for the purpose of supporting his claim that the Government had attempted to arrange matters under the Franchise Act, in order to secure certain advantages, Mr.

Bennett declared that Members of the Opposition must have forgotten the provisions of a Statute to which they had given their support. A Section of the Act gave to the Franchise Commission six months, from July 6, to commence registration.

The Prime Minister criticized the Opposition for the stand they had taken against two items of legislation (1) providing for co-operation amongst producers in the sale of their products, and (2) giving to the Government in case of emergency, power to take action for the preservation of peace, order and good government. Although such legislation had been opposed by the Liberals, yet he had lived to see, Mr. Bennett declared, the Liberal Prime Ministers of Quebec and Ontario send a delegation to the Dominion Government asking them, through the combined force of the peace, order and good government provision and the marketing Act—which did not apply—to take such steps as they might suggest to save the newsprint industry from demoralization. "The very emergency which we thought might occur did occur; the emergency arose and the Executive power was clothed with authority from this Parliament to take the necessary steps."

Taking up Mr. King's criticism of the central bank Act, Mr. Bennett accused the Opposition Leader of having voted "as St. James Street dictated."

Answering statements that his reform measures were the result of a change of heart, Mr. Bennett declared that as early as 1932, before the Imperial Conference, he had told his associates that if the Conference failed the Government would have to institute reform measures in Canada. He had taken his idea, not from Mr. King's book but from the lives of great reformers—"not reformers who put their ideas in books but who put them on the Statute books through Parliament."

"Fine-spun theories in books will not accomplish reform in these days of realism and actuality," Mr. Bennett added. "We will go forward to the end that this country shall be purged of the evils I have mentioned. We will use every means in our power to bring about measures to overcome inequalities. I am satisfied the good sense and judgment of the people will give us warm support."

The Leader of the Progressive Party, Mr. J. S. Woodsworth (Winnipeg North Centre) spoke on the same day (Jan. 22). He said that in the Speech from the Throne there was optimistic challenge: in the radio broadcast, disturbing confirmation of world wide tragedy. He quoted figures recently given out by the Council of Child and Family Welfare; indicating that Canada's December bill for unemployment relief "will likely prove to be not less than $5,800,000 with an estimated number of 1,150,000 dependent on relief aid . . . at least 200,000 heads of families, probably more, are still receiving unemployment relief . . . over 20,000 able-bodied employable men are in relief camps . . . perhaps 25,000 to 30,000 men temporarily engaged in relief works . . . probably 25,000 more single or homeless men idle in their own communities. There are an unascertained number, at least not less than 200,000 youths and girls, say 16 to 25 years of age, who are idle, unemployed, and receiving relief, either in their own home or 'as single persons'." Mr. Woodsworth spoke of such current tragedies: lives taken, children destroyed, in fits of despondency by those unable to rise above their poverty-stricken conditions. He gave statistics, taken from newspaper reports, comparing the profits of industrial firms with the wages paid to employees. He quoted the following from *The Winnipeg Free Press*: "Conditions in textile trade

investigated. It was apparent from the auditor's report that the cotton industry had weathered the depression successfully. The three largest companies, Dominion Textiles Company, Limited, Montreal; Canadian Cottons, Limited, Cornwall, Ontario; and Wabasso Cotton Company Limited, Three Rivers, Quebec, had bigger sales and higher percentage of gross profit in 1934 than 1933. The three largest companies which dominate the Canadian industry had a trading profit of 8.7 per cent. in 1934, the highest since 1929. At the same time wages stood at the lowest percentage, 24.5, in the period."

And again:

"In 1934 the Wabasso Company in Three Rivers, Quebec, paid 25 per cent. of its 1,256 employees 18 cents an hour or less. Three employees were paid less than 9 cents an hour; 52 between 9 and 10 cents; 53, 10 to 11 cents; 11, from 11 to 12 cents; 12, from 12 to 13 cents; 21, from 13 to 14 cents; 74, between 14 and 15 cents; 38, between 15 and 16 cents; 47, between 16 and 17 cents; and 7, between 17 and 18 cents." In the light of the disturbing economic situation, it was difficult, he said, to speak with restraint, when he thought of the small accomplishment of Parliament during many years, in the way of bringing amelioration. The Speech from the Throne, he concluded, held promise, indeed, the programme "has fairly taken away the breath of the public." But why, he asked, had the Government waited so long to bring about reform; the Prime Minister's explanation was not convincing; he questioned if it was fair to introduce legislation which might later be challenged in the Courts. However, he said, as "the Liberal Party states that they were pledged to it back in 1919; I hope they are still pledged. Then it would seem that we are all pledged, and the reforms should be passed in the present Session."

The Debate on the Address-in-Reply to the Speech was continued by Messrs. J. T. Hackett (Stanstead), Alfred Speakman (Red Deer), Humphrey Mitchell (East Hamilton), Henri Bourassa (Labelle), T. A. Thompson (Lanark), A. W. Neill (Comox-Alberni), Angus MacInnis (Vancouver South), H. E. Spencer (Battle River), and A. A. Heaps (North Winnipeg). After an unusually short Debate the Address was adopted without Division. As a result, the entire House stood committed unanimously to the principle of reform.

Mr. Henri Bourassa, credited with having defeated the Dominion Liberal Administration (Laurier) in the Province of Quebec during the Dominion General Election of 1911 through his nationalist movement, gave to the House during his speech in the Debate his version of his relations with Sir Wilfrid Laurier; this was in defence of a sudden query from I. D. Macdougall (Cons., Inverness) who cried out "Why did you betray Laurier?" during Mr. Bourassa's exhortation to both Parties against bigotry and petty politics. Mr. Bourassa, politically active for forty years, dramatically answered the Inverness Member. He crept a few feet up the aisle and pointing his finger at the Government bench, said: "When the Tory Party was denouncing him from the Atlantic to the Pacific as the instrument of Catholicism and French domination and when he was the idol of Quebec, I stood alone against him in defence of the same principles for which I have fought all my life.

"But when he was betrayed by his Liberal friends, when he was downtrodden during the War, I came to him and gave him a free hand and helped him, not to carry but to go through the Elections of 1917. But since I have been provoked by a gentleman who may or may not be in his senses, I will add this: The last letter which Laurier wrote in his own

hand, he wrote to me to express his sympathy for the most cruel bereavement I have had during my public life, and the answer I wrote came to him the day after his attack and two days before his death.

"But I know now that, although I fought him because of differences in principle, I loved him all my life and he knew that. The day I spent in his house in 1917, when he was betrayed by men whom he had covered with honours and titles—and I never received anything from him and never asked—that day he pressed me to his bosom and he said to me, 'Bourassa, what has happened to me to-day you predicted 11 years ago. I know now where my friends are to be found.'"

The Budget Speech of 1935

The Main Estimates for the fiscal year ending Mar. 31, 1936, were tabled on Jan. 23, 1935. The total was $351,969,944 as compared with the Main Estimates for the previous year of $343,648,273. Out of the total of $351,969,944 estimated for 1936, the sum of $192,697,728 was to be voted and the sum of $159,272,216, authorized by Statute. Supplementary Estimates for the fiscal year 1935-36 as well as Further Supplementary Estimates for the fiscal year 1934-35 were subsequently presented to the House by the Minister of Finance.

The Hon. E. N. Rhodes, Minister of Finance, delivered the Budget Speech in the House of Commons on Friday, Mar. 22. It was his good fortune, he said, to review the course of business and the trend of public finances during a year which had been marked by continued and substantial progress and by a growing approach to sound and satisfactory business and financial conditions. The physical volume of business in Canada, based on preliminary figures, was in February (1935) no less than 48.5 per cent. above the low point of the depression. Conditions in agriculture, he stated, although improving, were not satisfactory, due to the low level of international trade, resulting from the spread throughout the world of exaggerated economic nationalism, excessive interference with trade quotas and exchange controls and fluctuating currencies.

With this wave of economic nationalism extending throughout the world the Government, the Minister of Finance said, had accepted the logic of the situation and had directed their efforts towards markets in those countries associated with Canada by special ties. Thus in 1930 at the Imperial Economic Conference the Prime Minister had advocated the adoption of a policy of reciprocal preferences within the Empire—a policy ultimately adopted and resulting in the Empire Trade Agreements of 1932.

Having referred to the Agreements with other parts of the Empire, Mr. Rhodes mentioned the Trade Treaty with France, recently concluded, and an agreement with Poland practically completed. He described the formal notice of Jan. 21, 1935, of the Government of the United States that they intended to enter into trade negotiations with Canada. He added that the negotiations were already under way with two important European countries for trade agreements.

Although during 1934 little success had attended the continued efforts made by the Government to foster a rise in commodity prices, the comprehensive programme sponsored by the Government to bring down interest rates had met with rather striking success. A beginning had been made, Mr. Rhodes said, in improving the organization of the short-term money market in Canada and it was hoped that a further substantial contribution to that end might be made by the Bank of Canada.

Mr. Rhodes discussed the difficulties in the way of refunding the outstanding debt of all Canadian public bodies: first, the form in which most of the Canadian financing had been done in war and post-war years; and, second, the fact that so large a proportion of Canadian obligations was held by external investors. However, he said, neither Parliament nor the Canadian people would permit any measure of repudiation. Consideration had been given to the possibility of enabling the Provinces to refund their floating debts by giving a Dominion guarantee to new refunding issues but it was doubtful whether the Provinces would be willing to meet the conditions necessary. The wisdom of securing "some such type of control as a loan council in Canada, somewhat along the lines of the Australian model," had long been recognized, the Minister declared, "if the fiscal mistakes of the post-war period are to be prevented in future."

The Bank of Canada, which had commenced operations on Mar. 11 (1935), would provide, solely in the public interest, he said, an undivided control of the volume of currency and credit in use; disinterested and competent advice to the Dominion and Provincial Governments; and an effective mechanism by which Canada at the appropriate time, might execute such national policies as should be determined upon "in regard to our future monetary standard." Perhaps of most importance, the Minister said, was that the Government had striven to press forward towards budgetary balance with all reasonable speed and to deal with their finances generally in such a manner as to deserve the high credit standing which alone justified and secured low interest rates.

The expansion of Canada's external trade had continued on an accelerated scale. In the previous fiscal year (1933-34) the total of imports and exports showed a gain of 15 per cent. over the year before. In the eleven months' period ended February, 1935, the rate of increase was 18 per cent. over the corresponding period of 1933-34. The total increase was $168,000,000 and the total volume was the best since 1931. Imports expanded in 1934-35 at the rate of 23 per cent. over the previous year and exports by 15 per cent. In the earlier stages of trade recovery exports were increasing faster than imports. Canada again occupied fifth place in export trade in 1934; stood ninth in imports and eighth in total international trade. For the fourth successive year Canada's exports exceeded imports, the favourable balance in the eleven months' period being nearly $134,000,000. This was for merchandise only and did not include the export of current gold production which added a further $100,000,000 annually to trade credits available in external markets for the liquidation of interest due abroad and other debit items in international settlements. The effective operation of the Empire Trade Agreements, Mr. Rhodes stated, was reflected in the statistics of intra-Empire trade. In the ten months ended Jan. 31, 1935, exports to the United Kingdom, Canada's largest market, recorded an increase of nearly 22 per cent. For all Empire countries the increase was 24 per cent. On the other hand, exports to foreign countries increased by only 6 per cent. Exports to all countries increased by nearly $71,000,000 in the ten months' period and of this amount, $56,000,000 or 79 per cent. was accounted for in increased exports to Empire countries.

The Minister of Finance then proceeded to review the Dominion's financial position. He explained that as the current fiscal year (1934-35) did not end until Mar. 31, it would be more than a month before the Dominion Accounts would be closed for the year. Therefore, Revenue and Expenditure figures were, to some extent, estimated.

Estimated Revenues and Expenditures, 1934-35

Taking the Estimated Ordinary Revenues for the fiscal year 1934-35 at $359,300,000 and the Estimated Ordinary Expenditures at $356,600,000 there was a resulting Surplus on Ordinary Account of $2,700,000. This was the first Surplus on Ordinary Account since 1929-30, and compared with a Deficit of $22,000,000 in 1933-34, and $43,000,000 the year before. Taking into consideration Capital and Special Expenditures, less Special Receipts, and Loans and Advances, Non-active, amounting to $72,000,000 the Surplus on Ordinary Account was wiped out and a Deficit of $69,300,000 was produced.

Adding the Railway Deficit of $48,400,000, the total increase in Debt for the year became $117,700,000. The corresponding increase for the previous fiscal year was $133,500,000, indicating an over-all improvement of $15,800,000.

The Total Ordinary Expenditure for the year 1934-35, it was estimated, would be $356,600,000, which was approximately $2,200,000 lower than the amounts authorized by Vote and Statute. While there was an increase of $10,000,000 over the figure of the previous year it was $26,000,000 below the Ordinary Expenditure in the year 1930-31. The increase resulted not from any general expansion in Departmental activities but, in the main, from increases in several of the Uncontrollable Expenditures and from provision made for some new Services. The largest single item of increase was for Old Age Pensions which was estimated at $14,900,000 or $2,600,000 over the figure of the previous year. The expenses of the Dominion Franchise Commissioner in connection with the registration of voters and preparation of the Election lists would involve a new expenditure of $1,560,000. An increase of $1,500,000 under the Department of Railways and Canals was made up, in part, of the Special Vote of $500,000 for the railway grade crossing fund, $100,000 for the encouragement of tourist traffic and $785,000, which was the Dominion's contribution towards the cost of a subway tunnel under the Lachine Canal in the city of Montreal. Under the Department of Pensions and National Health an additional expenditure of $500,000 had been required for war veterans' allowances. In addition, there had been absorbed, as new Services, the cost of administration of the Farmers' Creditors Arrangement Act and the Natural Products Marketing Act.

The Fixed and Uncontrollable Expenditures of Government in the current year 1934-35 would total about $233,000,000 and the Controllable, $138,000,000; that is, out of every $100 spent by the Government, "nearly $63 is required for interest, pensions, Provincial subsidies, ex-soldiers' care, and similar items." This computation, as in past years, excluded the cost of unemployment relief and the Canadian National Railway deficit.

Under Capital Expenditures the chief item, amounting to $4,900,000, was for dredging the River St. Lawrence ship channel. Total for the year would be $7,100,000, an increase of $600,000 over the expenditure of the previous year. The Estimates provided for an expenditure on Capital Account of $7,246,000.

Special Expenditures would total $66,100,000 of which $60,400,000 represented payments in the fiscal year for unemployment relief measures; this amount compared with $35,898,000 in the previous year.

Loans to Provinces to enable them to finance, in part, Provincial and Municipal expenditures for relief and to make loans to farmers in distressed areas for the purchase of seed grain, feed, etc., were as follows: Manitoba, $2,900,000; Saskatchewan, $10,500,000; Alberta, $1,900,000; British

Columbia, $8,000,000; a total of $23,300,000. The net amount of loans outstanding at the end of the previous fiscal year (1933-34) was $51,300,000 which, with the net loans granted in the current year (1934-35) of $23,300,000 brought the total of Dominion assistance to the four Western Provinces by way of loan under the Relief Acts, to $74,600,000.

The total outlay under Loans and Advances for 1934-35 would be $1,700,000, as compared with over $3,000,000 in 1933-34. These were amounts paid for deficits and capital requirements of the Canadian National Steamships, the deficit of the Jacques Cartier bridge, Montreal, and for loans to several of the Harbour Commissions. Being non-interest producing, these Advances were treated as additions to the Net Debt.

New capital furnished to the Canadian Farm Loan Board in 1934-35 would amount to $353,000, bringing the total investment of the Dominion to $8,856,000.

The amount required in cash from the Dominion Treasury for the Deficit of the Canadian National Railways decreased by $10,500,000 in 1934 as compared with 1933. The amount required for Deficit after payment of interest due the public, and taken into the accounts of the Dominion as an expenditure for the year amounted to $48,400,000, as compared with $58,900,000 in 1933. Actually the books of the Company showed a loss of $89,600,000 in 1934. In addition to provision for the Deficit the Dominion furnished in 1934 by way of loan $579,000 for Capital Expenditures and $10,170,000 for retirement of miscellaneous maturing Debt. The Debt of the Canadian National Railways system, outstanding in the hands of the public was, in 1935, $1,238,000,000, having been reduced by $15,000,000 in the previous year. Of the amount outstanding, $956,000,000 were obligations guaranteed by the Dominion.

The grand Total of Expenditures for the fiscal year 1934-35 under all heads, including relief and railway deficit would be, the Minister of Finance stated, $480,000,000. This was an increase of $22,000,000 as compared with 1933-34, which was more than accounted for by the increase in unemployment relief outlays.

Summary of Revenues

	1933-34 (000)	Estimated 1934-35 (000)
Receipts from taxation	$271,852	$306,050
Non-tax Revenues	52,210	53,324
Consolidated Fund Receipts	324,062	359,374
Special Receipts	418	3,000
Grand Total	$324,480	$362,374

Summary of Expenditures

	1933-34 (000)	Estimated 1934-35 (000)
Ordinary Expenditures	$346,649	$356,638
Capital Expenditures	6,490	7,136
Special Expenditures	42,787	66,157
Loans and Advances non-active	3,096	11,735
C.N.R. deficits:		
ex. Eastern lines	52,264	42,590
Eastern lines	6,691	5,818
Grand Total	$457,977	$480,074

Indirect Liabilities

Of the Indirect Liabilities, bonds bearing the guarantee of the Dominion outstanding in March, 1935, in the hands of the public amounted to $987,300,000, a decrease of $6,000,000. Apart from the wheat guarantees

which were for an unstated amount and subject to fluctuation from day to day the aggregate of guarantees under the Relief Acts was $65,717,000, a decrease of $27,500,000 in the fiscal year, 1934-35. The amounts of the different guarantees (guarantees under Relief Acts, estimated outstanding at Mar. 31) were as follows:

British Columbia	$626,533
Manitoba	5,894,127
Manitoba Savings Office	9,327,327
Algoma Steel Corporation	445,000
Dominion Steel and Coal Corporation	800,000
Canadian Pacific Railway	48,000,000
Government of Newfoundland	625,000
Canadian Co-operative Wheat Producers, Ltd.	Unstated

The Funded Debt at Mar. 31, 1935

The Unmatured Funded Debt and Treasury Bills as at Mar. 31, 1935, were $3,061,940,421. The interest charges were $127,074,231. The Net Funded Debt had been $3,007,407,733, when deposits in Sinking Funds had been subtracted. Of the total Funded Debt 74.09 per cent. was payable in Canada; 2.96 per cent., in Canada and New York; 9.56 per cent., in New York; and 13.39 per cent. in London.

The Public Debt of Canada

The Net Debt at Mar. 31, 1935 (estimated) was $2,847,678,000; the Estimated Liabilities, $3,204,841,000 and the Active Assets, $357,163,000. (See also "Dominion Finances").

The increase in the Net Debt during the five fiscal years from Mar. 31, 1930 to Mar. 31, 1935 is shown in the following table:

Increase of Net Debt, Mar. 31, 1930, to Mar. 31, 1935

	Amount	Per cent.
Canadian National Railway deficits	$223,970,000	34
Unemployment relief and wheat bonus	188,500,000	28
Deficits on Ordinary Account	135,350,000	20
Capital expenditures	67,380,000	10
Loans and advances, non-active	40,200,000	6
Other special expenditures, less special receipts	14,500,000	2
Increase in Net Debt, 1930-35	$669,900,000	100

Taxation and Tariff Changes, 1935

Taxation and Tariff changes as announced in the 1935 Budget were, briefly, as follows:

Taxation—Surtax on investment incomes over $5,000, ranging from 2 per cent. on lowest figure to 10 per cent. on investment income of $200,000 or more. Incomes from whatever source to be treated the same as investment incomes for surtax purposes, if exceeding $14,000.

Tax on premium value of gold, begun in 1934, was to expire on May 31, 1935, but depletion allowance on Income Tax of precious metal mines was reduced from 50 per cent. to 33⅓ per cent. and on dividends to shareholders of such mines was reduced from 50 per cent. to 20 per cent.

Increase of 1 per cent. on Corporation Income Tax and of 1½ per cent. on taxes paid by those permitted to render Consolidated Income Tax returns.

Graduated Tax on gifts in excess of $1,000, ranging from 2 per cent. on $25,000 to 10 per cent. on $1,000,000 or more.

Sales Tax unchanged, except for a few minor exemptions.

Excise Tax unchanged, but Empire Preference imports exempted and 20 per cent. tax applied to cigarette lighters.

Excise duties on spirits reduced from $7 per gallon to $4.

Tariff Changes—These totalled 76, of which 48 were decreases, 4 increases and 24 clarification of wording without change in rates.

Spirituous liquors were reduced under the British Preference from $8 a proof spirit gallon to $5. Corresponding reductions on Canadian-made liquors Excise Tax also were contained in the Budget.

Certain woollen fabrics were reduced under the specific rate of the British Preference from 18¾ cents per pound to 17 cents.

Woollen slipper cloth, formerly 27½ per cent. plus 18¾ cents a pound under the British Preference, was to be free.

Melton cloth for making tennis balls, formerly 27½ per cent. plus 18¾ cents a pound under the British Preference, would be free.

To encourage use of Canadian potatoes in the manufacture of starch, a deferred duty could be imposed by Order-in-Council on dextrine.

Diabetic breads and biscuits would come in free under the British Preference.

Palestine oranges would enter free under the British Preference.

Books of a certain type would be free under the British Preference. A similar rate would apply to France.

British exporters to Canada would be allowed to send in advertising matter concerning their goods free of duty. The rate was formerly 5 cents a pound.

The famous infra-red films for aerial photography would be allowed free entry under the British Preference.

The tariff on cigarette papers from the United Kingdom was cut.

Artists' paints, formerly 20 per cent. British Preference, would be free.

All kinds of glassware, except flat-glass, would be reduced under the British Preference from 20 per cent. to 15 per cent.

Piling iron, used extensively in harbour works, formerly 25 per cent. would be free.

Wire imported for use in the manufacture of barbed wire or fencing wire, formerly 10 per cent. under the British Preference would be free.

Chock release apparatus used in coal mines, formerly 15 per cent. British Preference, would be free.

Fire engines, formerly 22½ per cent. British Preference, would be 10 per cent.

Diesel and semi-Diesel engines, formerly 15 per cent. British Preference, would be free.

Chassis for railway motor cars, formerly 15 per cent. British Preference, would be free.

Locomotives and railway motor cars for mining operations, formerly 10 per cent., would be free, under the British Preference.

Aircraft and parts, exclusive of engines, formerly 10 per cent. British Preference, would be free.

Zippers increased "across the board," 30 per cent. (20 per cent.), 37½ per cent. (27½ per cent.), 40 per cent. (30 per cent.). Old rates in brackets.

Brass band instruments, free under the British Preference; a cut of 15 per cent.

Impost of 6 cents each on foreign dressed skins to prevent exploitation by distress sales.

The Preference on Australian raisins continued until Mar. 31, 1936.

Consolidation made of items dealing with all kinds of sterling silver toilet sets, and greatly reduced under the British Preference. (Canadian Press Summary).

Estimates for 1935-36

Mr. Rhodes estimated that, after the Tax and Tariff changes enumerated had been given effect, the Revenues for the year 1935-36 would aggregate $392,100,000 of which $336,200,000 would be Tax Revenue and $55,900,000, Non-tax Revenue. The Ordinary Expenditures for the year would amount, it was estimated, to $370,600,000. The resulting Surplus for 1935-36 would be $21,500,000. This would be a substantial amount to be applied upon Capital Expenditures, for which the Estimates were about $6,000,000 and Special Expenditures, including unemployment relief and railway deficit.

The Budget Debate

The Budget was delivered on Mar. 22. In the Budget Debate, begun on Mar. 26 and concluded on Apr. 3, the following were the 30 Members who participated: R. K. Anderson (Cons., Halton), James Arthurs (Cons., Parry Sound), Charles Belec (Cons., Pontiac), W. A. Beynon (Cons., Moose Jaw), Frank Boyes (Cons., Middlesex East), G. G. Coote (C.C.F., Macleod), W. K. Esling (Cons., Kootenay West), J. A. Fraser (Cons., Cariboo), Robert Gardiner (U.F.A., Acadia), F. W. Gershaw (Lib., Medicine Hat), Samuel Gobeil (Cons., Compton), R. B. Hanson (Cons., York-Sunbury), William Irvine (U.F.A., Wetaskiwin), Agnes C. MacPhail (U.F.O., Grey Southeast), R. J. Manion (Cons., Fort William), J. H. Myers (Cons., Queens), E. E. Perley (Cons., Qu'Appelle), F. H. Pickel (Cons., Brome-Missisquoi), V. C. Porteous (Cons., Grey North), J. F. Pouliot (Lib., Temiscouata), J. L. Ralston (Lib., Shelburne-Yarmouth), F. T. Shaver (Cons., Stormont), H. E. Spencer (U.F.A., Battle River), George Spotton (Cons., Huron North), J. H. Stitt (Cons., Selkirk), J. B. Swanston (Cons., Maple Creek), F. W. Turnbull (Cons., Regina), J. F. White (Cons., London), E. F. Willis (Cons., Souris), J. S. Woodsworth (C.C.F., Winnipeg North-Centre).

The Hon. J. L. Ralston, financial critic of the Opposition, expressed the opinion that the Budget showed "a last-minute repentance", an admission by the Government that the tariff policies laid down in 1930, 1931 and 1932 were wrong. The Budget as part of the Government reform programme was an attempt to convince "the people of Canada just before the General Election, that they (the Government) had been converted."

He took issue with the Minister of Finance on the position of Canada's external trade. He read tables from the Dominion Bureau of Statistics to show that Canada was fifteenth in export trade out of eighteen countries in 1934 as compared with 1928; that fourteen out of these eighteen countries had in 1934 a higher percentage of exports than Canada as compared with exports in 1928; that in 1934 Canada came fifteenth in a comparison of total trade with the year 1930.

As to the available balance of trade of $134,000,000 for 1935 and $145,000,000 for 1934 as shown by the Minister of Finance, Mr. Ralston believed, that the benefits of a balance of trade depended upon how the balance of trade was brought about: if by reason of larger exports it was a good thing; if by deprivation of necessities through restriction of imports, as "represented by this Budget", then the balance of trade was not good.

To reduce the rate of interest on loans was excellent but of what avail, Mr. Ralston asked, was a conversion loan if, immediately, further borrowings were made. More advantageous, he stated, was relief from the interest loan brought about by paying off principal as had been done during the five years previous to 1930 when $257,000,000 of the Public Debt was paid off entirely and the interest loan reduced accordingly.

As to the combined Dominion, Provincial and Municipal debt Mr. Ralston agreed that something should be done by way of consultation and collaboration. He suggested an organization composed of representatives of those concerned, possibly a "Public Finance Council". This body should be empowered to seek a solution to the great problem of refunds and of lessening the burden of interest on existing loans, by studying (1) the advisability of further borrowings; (2) the capacity of the citizen to carry the burden; and (3) the effect of such further borrowings on the credit of the constituent members represented on the "Public Finance Council"; and, most important, this body should be empowered to look after the orderly offering and marketing of public issues.

Two possible solutions were submitted by Mr. Ralston for the railway problem: the first was that the Government should provide the machinery for an arbitral tribunal; and the second, that the Government should make an effort to improve trade, particularly in the movement of wheat.

Referring to the guarantees given by the Government under Relief Acts, Mr. Ralston queried the omission of a specified amount in connection with the item, the Canadian Co-operative Wheat Producers, Limited; this he supposed was "another blank cheque." This blanket guarantee, he stated, had been running for four years in favour of seven of the chartered banks of the Dominion. Proceeding, Mr. Ralston went fully into the transactions which gave rise to this guarantee to the banks, granted by Order-in-Council dated Sept. 12, 1931, against loss in their advances to the Canadian Co-operative Wheat Producers, Limited, in connection with the handling of the 1930 crop. He discussed the operations of Mr. McFarland (See elsewhere in this volume) in the marketing of the crop about which he did not believe any definite statement had been made by anyone in authority. The Minister of Finance in 1932, he said, had predicted, however, that no loss would be incurred by the Dominion on account of the guarantees. Mr. Ralston understood that it would be difficult for the Government to give the financial amount involved without giving the amount of wheat purchased. He claimed that the Prime Minister (Mr. Bennett) had indicated in March, 1934, in the House that the loss might be $15,000,000. "In 1935 . . . ," Mr. Ralston continued, "the Minister of Finance gives us the laconic information that the amount of the guarantee is 'unstated'." Without a statement from the Minister of Finance as to the extent of the "present holdings and the prospective liability for the wheat guarantee, this so-called Budget is a delusion," Mr. Ralston stated.

Coming to the new taxes imposed, the financial critic attacked the retention by the Government of the virtual 25 per cent. tax on sugar, a household necessity, and their reduction of the tax on liquor by over 40 per cent. Continuing, he declared that the Government, sensing their danger as a result of the By-elections, had put on a most remarkable profession of repentance and had announced a programme of reform, the details of which had been disclosed and "we find a series of measures which prove to be only a hollow echo of the flow of fulsome rhetoric with which they were announced and the principles of which are altogether

foreign to the policies previously espoused by this Government." As the results in nine By-elections and four Provincial Elections from the Atlantic to the Pacific had left no room for doubt regarding the temper of the electors, Mr. Ralston therefore moved, seconded by Mr. Mackenzie (Vancouver Centre) that "This House regrets that the proposals submitted by the Minister of Finance on Mar. 22 are entirely inadequate to meet the serious and acute situation prevailing in Canada and afford an additional reason why appeal to the people should not longer be delayed."

Mr. G. G. Coote (C.C.F., Macleod) moved, seconded by Mr. A. MacInnis, (Ind. Lab., Vancouver S.) that the Amendment be amended by striking out all the words after the word 'Canada' and adding thereto the following: "and would appear to be based upon the assumption that poverty and debt are inevitable conditions within the country; and whereas the real and potential wealth of the nation, based upon our natural resources and our capacity to produce, is such as to make possible an abundant provision for all the requirements of our people; Therefore, this House is of the opinion that the Government should take immediate action to insure the fullest and most equitable distribution possible of our socially-created wealth and that, as a first step in this direction, the measures which may be necessary to meet the pressing needs of the farmers and the unemployed should be financed by the social credit of Canada, thus avoiding a further increase in the debt burden of the country."

Mr. W. K. Esling (Cons., W. Kootenay) advocated human consideration in industry and co-operation between employer and employee.

Mr. J. S. Woodsworth (Winnipeg N.-C.), Leader of the Co-operative Commonwealth Federation Party, urged the conscription of high incomes and implements of production. He criticized the Income Surtax announced in the Budget as a delusion. He could see no reason why an income of $200,000 should not be cut to $40,000 or to $50,000 by State taxes. The Budget Surtax would cut it to $180,000 only, apart from other taxes. "We have reached the point," Mr. Woodsworth declared, "when we shall have to regard the great resources and equipment of this country as essentially the property of the Canadian people to be administered for the needs of the masses."

Parliamentary tactics came to the fore on Apr. 2. Nine Conservative and one United Farmer Member prolonged the Debate all day in an attempt to keep the House going until after the Easter Recess when the Prime Minister would return to his duties. Liberal Members, in an attempt to embarrass the Government by indicating a lack of legislative business and the need to bring on an Election, retired to the sidelines.

Mr. William Irvine (U.F.A., Wetaskiwin) believed that the remedy proposed in the Sub-Amendment was one that very soon would have to be accepted not only by the Government of Canada but by all governments in the world. "I make that prediction," he said, "because in my opinion there is only one alternative to that and that is to witness the complete collapse of civilization itself." A section of the community, some of the working class who have suffered more under the present insane system than any other class are becoming impatient and demand complete and immediate revolution. They are not prepared to wait for constitutional action; they want to smash all opposition by ruthless force. "Now, I do not hold with that," said Mr. Irvine, "I would fight that with all the powers I have, but we have to face the fact that there is a considerable and growing number of Canadians who take that position." He explained that the small group in the House to which he belonged, composed of

representatives of organized farmers, labourers and other groups, believed that the main trouble in Canada was faulty distribution and that money in the pockets of the consumer was the surest way to bring about distribution of goods. They claimed, Mr. Irvine stated, that there was no difficulty in obtaining ample supplies of all the necessities of life, if people only had the money to buy them. They regarded social credit as a source capable of providing money and at the same time an adequate method of distributing it wherever it was required.

Mr. Robert Gardiner (U.F.A., Acadia) urged, on behalf of the Western farmer, distribution by the Government of grass seed and trees; encouragement of strip farming; and an extended programme of dam building, particularly of the Red Deer River in order to store water and utilize it to moisten the lands of settlers in a wide area.

On the closing day of the Debate on the Budget (Apr. 3) the C.C.F. Sub-Amendment was voted upon first. It was defeated by 165 to 12, the Liberals joining with the Government Members to defeat it and A. M. Carmichael, Progressive Member for Kindersley, joining them. The Liberal Amendment calling for an immediate General Election was defeated by 104 to 73. Messrs. Woodsworth (C.C.F.), Heaps (Lab.), MacInnis (Ind. Lab.), Humphrey Mitchell (Lab.), and Miss MacPhail (U.F.O.) voted with the official Opposition and against the Government.

The main Government Motion to go into Committee of Ways and Means was voted against solidly by the Liberal Members and by the third group in the House with the exception of Mr. Carmichael. On this final division the Government's majority was reduced accordingly to 23 in a vote of 98 to 75.

Legislation of 1935

The Session of 1935 witnessed the introduction and adoption of a number of reform measures which had been forecast by the Speech from the Throne and, earlier, by Mr. Bennett in his radio talks to the public, in January. The Prime Minister's illness and absence from the House extending over nearly three months left the responsibility of seeing several of the reform Bills through their progressive stages to the Rt. Hon. Sir George Perley.

Eight enactments of the Session implemented recommendations of the Royal Commission on Price Spreads and Mass Buying commonly called the Price Spreads Commission. These particular measures amended the Weights and Measures Act; amended the Live Stock and Live Stock Products Act; amended the Criminal Code; amended the Combines Investigation Act; established a Dominion Trade and Industry Commission; amended the Companies Act; established a system of long-term mortgage credit for fishermen; classified and established grades for Fruit, Vegetables and Honey and provided for inspection, registration, marketing, licensing, shipping, advertising, sale and other matters concerning these products. A ninth Bill, to amend the Industrial Disputes Investigation Act also conforming to a suggestion of the Commission, was rejected by the Senate.

Eight of the reform enactments of the 1935 Session were submitted in 1935 to the Supreme Court of Canada on the question of their validity. Subsequent appeals were made to the Imperial Privy Council. (For history of these cases see elsewhere in this Volume). The Acts whose constitutionality was questioned, were: The Dominion Trade and Industry Commission Act; Section 498A of the Criminal Code; The Employment

and Social Insurance Act; The Minimum Wages Act; The 48-Hour Week Act; The One Day's Rest in Seven Act; The Natural Products Marketing Act (the original Act was passed in 1934 and the Amendment, in 1935); The Farmers' Creditors Arrangement Act (the original Act was passed in 1934 and Amendments, in 1935).

Ratification of six Draft Conventions of the General Conference of the International Labour Organization of the League of Nations in accordance with the Labour Part of the Treaty of Versailles were authorized by Resolutions adopted by Parliament during the 1935 Session. This action was regarded as necessary in order to give warrant for invoking Section 132 of the British North America Act which, the Prime Minister (Mr. Bennett) contended, conferred upon the Dominion Parliament authority to legislate and to give effect to obligations incurred in international conventions. The six Draft Conventions were:

Limiting the Hours of Labour in Industrial Undertakings to Eight in the Day and Forty-eight in the Week (1919).

Application of the Weekly Rest in Industrial Undertakings (1921).

Concerning the Creation of Minimum Wage-Fixing Machinery (1928).

Protection Against Accidents of Workers employed in loading and unloading ships (1932).

Seamen's Articles of Agreement (1926).

Marking of weights on heavy packages transported by vessels (1929).

Before the Resolutions were adopted strong criticism had been levelled by Opposition Members to certain of the Draft Conventions; they questioned the judicial power of the Dominion Parliament to give effect to the terms of the Conventions in question, namely, The Limitation of Hours of Work; The Weekly Day of Rest; and Minimum Wages. The Prime Minister (Mr. Bennett) explained at length the processes by which the Government had arrived at their decision that it was within the legislative jurisdiction of Parliament to act on the Draft Conventions. In the Senate the Convention, to limit the Hours of Labour, created considerable debate on the constitutional issue. The Hon. Raoul Dandurand (Liberal Leader) declared that he was not opposed to the terms of the Convention but that he considered the procedure would create a dangerous precedent—the Government were looking to Labour conferences as sources of further jurisdiction. The Convention was finally approved on a division of 45 to 3; the non-contents were Senators Aylesworth, Lacasse and Lemieux. Summaries of the first three measures concerned will be found in the following pages. The subjects referred to in the three last-mentioned Conventions had been anticipated by Parliament and were already on the Statutes (The Merchant Shipping Act of 1934).

Employment and Social Insurance Act, 1935

This first measure of the Government's social reform programme was introduced by the Prime Minister on Jan. 29. The Bill was designed to establish an Employment and Social Insurance Commission, to provide for a national employment service, for insurance against unemployment, for aid to unemployed persons, for other forms of social insurance and security, and for purposes related thereto. The preamble recited, in part, that Canada was a signatory, as part of the British Empire, to the Treaty of Peace at Versailles, June 28, 1919, that by Article 23 of the Treaty the signatories had agreed that they would endeavour to secure and maintain fair and humane conditions of labour and that it was desirable to discharge the obligations to Canadian Labour assumed

under the provisions of the Treaty. The Bill as enacted became Chap. 38 of the Statutes of 1935. It was one of the Acts before the Supreme Court and, subsequently, the Judicial Committee of the Privy Council late in 1936. Both Courts declared it to be *ultra vires*. (See elsewhere in this Volume).

This Act fills thirty-one printed pages of the Statutes of 1935, in addition to seven pages of schedules. It is divided into five parts: I, The Employment and Social Insurance Commission; II, Employment Service; III, Unemployment Insurance; IV, National Health; and V, General. The cost of administering the Act was to be provided for by Parliament.

The Commission was to consist of a Chief Commissioner and two others appointed by the Government, to be paid such salaries as might be fixed by the Government. In addition to their general duties, it was stipulated that the Commissioners should report to the Government on providing unemployment insurance for excepted employments, on providing for the assistance of unemployed, on providing training for unemployed and also on proposals for the establishment of savings or any other funds derived out of contributions made by such persons or by employers. In organizing an employment service the Commissioners were to collect information concerning employers requiring workers and workers seeking employment.

During the discussion on the Bill the Prime Minister (Mr. Bennett) said that there was no doubt that the legislation on which it was drafted was within the competence of Parliament. Asked by Mr. King (Opposition Leader) what would be the cost of the Commission and the contribution of the State, Mr. Bennett replied that assuming that there were 1,500,000 persons who might come under it and the payment of say 20 cents per week there would be $300,000 per week as the contribution of the State which in 52 weeks would amount to $15,000,000. Mr. King said that the Members on his side of the House had long been advocating such a measure and they would endeavour to be constructively helpful. On the second reading of the Bill Mr. Bennett contrasted the British and the proposed Canadian plan. Under the British plan a man aged 21 years or more would receive a weekly benefit of $5.17 while under the Canadian plan he would receive $6. In Great Britain a woman aged 21 years or more received $4.65 weekly but under the Canadian scheme she would receive $5.10. In other classes the proposed benefits in Canada would be slightly less than in Britain.

The Debate on the Bill was continued during several days. The principle of national unemployment insurance was generally approved but the question frequently arose whether it was within the competence of Parliament to pass the measure. On Feb. 18 the Prime Minister suddenly called for a vote. The Bill was given its second reading by 101 to 0. An unanimous vote on an important Government measure was said to be something of a Parliamentary record. The only dissenting voice was that of Mr. J. F. Pouliot (Lib., Temiscouata) who said that he was opposed but was prevented from voting because he was paired with a Conservative Member.

In Committee there was little objection to the essential features of the Bill. Most of the discussion was in the way of explanation. But on Feb. 21 Mr. Mackenzie King (Opposition Leader) moved an Amendment to Section 48 (then 47). The Section as it stood read "This Act shall come into force when assented to, etc." The Amendment by Mr. King, seconded by Mr. Lapointe (Quebec Centre) read: "This Act shall come into force on a day to be fixed by proclamation of the Governor-in-Council

after the question of its validity has been submitted to the Supreme Court of Canada on a reference by the Government and the Act has been declared to be *intra vires* of the Parliament of Canada". Mr. Bennett (Prime Minister) refused to accept the Amendment and it was defeated by 21 to 56. When Section 11 was under discussion Mr. Bennett promised to give an estimate of the probable cost. A Memorandum presented on Mar. 7 showed that under the existing employment service the Dominion and Provincial staffs numbered 324 and that the total cost of the existing system for the fiscal year 1935-1936 would be $533,000. It was estimated that under the Act there would be required a staff of 3,800, at a total cost of $6,700,000. The amount required for the balance of that fiscal year would probably be $5,000,000.

On the Motion for the third reading of the Employment and Insurance measure Mr. Mackenzie King read a carefully prepared statement which expressed the views of the Liberal Opposition on this Bill and also on the Eight-Hour Day Bill and the Minimum Wages Bill; their attitude, he said, was the same on all three. They believed, Mr. King read, that these measures of social legislation, under judicial interpretation of the distribution of powers between the Dominion Parliament and the Provincial Legislatures, to be beyond the legislative jurisdiction of Parliament. They believed that in a matter of such importance the best method of relieving uncertainty and of avoiding unnecessary disturbance of business was to take an advisory opinion from the Supreme Court or by a constitutional amendment. The Opposition Leader continued: "The Liberal Party approves the principle of the social legislation thus far introduced and desires to see it in operation. We refuse to be manoeuvred into a position of opposition to this legislation. We refuse also by voting against the legislation to raise directly an election issue of provincial rights." He suggested a Reference to the Privy Council. He recalled the platform of the National Liberal Convention in 1919 and the record of the Liberal Party when it was last in office and added: "We do not propose to permit the adoption by the Government of a method which we believe to be ineffective, to place us in a false position as to our aim and desire to achieve, by the only method which we believe to be effective, a purpose on which all honourable Members are now agreed." On Mar. 12 the Bill received its third reading on a division of 123 to 3, the latter being Messrs. Bourassa (Labelle), Garland (Bow River) and Pouliot (Temiscouata).

Dominion Trade and Industry Commission Act, 1935

Generally regarded as the central feature of the Government's efforts to meet the recommendations of the Royal Commission on Price Spreads and Mass Buying, a Dominion Trade and Industry Commission was provided for in a Bill of which the Hon. R. B. Hanson, Minister of Trade and Commerce, moved the second reading on June 11. The Act received the Royal Assent on July 5 and came into force on Oct. 1, 1935. The Act provided that for the time being the three members of the Tariff Board should be the Commissioners; that the Chairman and the Vice-Chairman of the Board should be the Chief Commissioner and the Assistant Chief Commissioner respectively. The Commission, unlike the Tariff Board, which reported to the Minister of Finance, should report, it was stipulated, to the Prime Minister (by legislation in 1937, this was changed: the Commission should, in future, report to the Minister of Labour). (The Act of 1935 was, later in the year, before the Courts on the question of its validity).

Additional powers under the 1935 Act were given to the National Research Council under Section 15. Provision was made that the Commission should have charge of the Combines Investigation Act, under Section 13. Duties of the Commissioner, according to the Act, were to consist of investigating and recommending the prosecution of offences against Acts of Parliament relating to commodity standards; the preparation of draft specifications for commodity standards; the application of the national trademark "Canada Standard" to commodities which conformed to specifications established under any Act of Parliament; the investigations of complaints respecting unfair trade practices and recommending the prosecution of offences against any Dominion Law prohibiting unfair practices; the convening of conferences for the purpose of considering commercial practices prevailing in industry and determining what practices were unfair or undesirable in the industry or employees. Sections 21 and 22 of the Act provided for the appointment of a Director of Public Prosecutions by the Governor-in-Council.

During the Debate on the Bill the Hon. H. H. Stevens (Cons., Kootenay East), having spoken at some length on the concentration of wealth and industry in a few hands, maintained that the Bill was inadequate and fell short of what the Price Spreads Commission had recommended. Discussion of the Bill continued for several days. On June 20 it received its third reading by a vote of 121 to one.

The Senate offered a number of Amendments chiefly to clarify the meaning of the Bill. It suggested a cease and desist clause which would empower the Commission to say: "Cease and desist before you cross the line where you will make yourself liable to prosecution and penalties under the Combines Investigation Act or Section 498 of the Criminal Code." But the Commons objected and the Senate did not insist. Mr. Meighen, however, prophesied that there would be something of the kind before many months. The Senate did insist upon deleting Section 26 which, as submitted by the Commons, provided that where a Dominion company was making an issue of securities, the Secretary of State could at any time, if he so desired, refer the capital structure of the company to the Dominion Trade and Industry Commission for review and, after such reference, the issue could not be proceeded with until the Commission reported. On this item Mr. Meighen said "Our Committee and the Senate itself recognized the fact that this subject is distinctly within the Provincial prerogative. While the Dominion Commission could investigate and report with respect to Dominion companies we felt that under this Section we were assuming to do the work better than the Provinces are doing it. To make its work effective there would necessarily have to be a duplication of Provincial machinery. We took the further ground that the Section is exceedingly dangerous. The Secretary of State might refer the matter to the Commission or he might not and there was no limit to the time in which he might act. Assume that he took no action with respect to an issue which turned out badly as so many issues do. We feared that under such circumstances people who lost money on the issue would say that he should have referred the capital structure of the company to the Commission before permission for the issue was granted, and that, in effect, the lack of action was practically a guarantee of the issue by the Government of Canada. These reasons appear to me to be powerful and insurmountable." As it was the fifth of July and there was little time left the Commons concurred.

Minimum Wages Act, 1935

The Minimum Wages Bill, based on the International Labour Organization Convention, 1928, passed with little discussion. The Senate made a few Amendments chiefly to clarify the intention and all were accepted by the House of Commons. The Act provided, mainly, that such minimum rates of wages as should be fixed in specified rateable trades should be paid, under penalty, to workers in such trades; that the Governor-in-Council might create machinery to fix wages in rateable trades; and might declare what trades were rateable trades. These two provisions were not to come into force until proclaimed. In substitution for these provisions the Governor-in-Council might fix minimum wages if a trade were injuriously affected by the absence of uniform minimum wages or if workers were oppressed by the insufficiency of the wages paid to them. The Minister might make inquiry as to the minimum wages required to enable a worker to maintain a suitable standard of working. Provincial rates were to prevail if they were higher.

Weekly Day of Rest Act, 1935

The Bill entitled "The Weekly Day of Rest in Industrial Undertakings Act" gave effect to the Draft Convention of the International Labour Organization Conference at Geneva in 1921. The Bill was passed on Mar. 14 after very little discussion. It provided that the period of rest should, wherever possible, be the Lord's Day, as defined in the Lord's Day Act; that in case of persons holding positions of supervision or management or persons employed in a confidential capacity the Section should not apply. Penalty for violation of the Act was a fine on summary conviction not exceeding $100 and not less than $20 in addition to any other penalty prescribed by law. The Act was to come into force three months after the date on which it was assented to.

Eight-Hour Day Act, 1935

Introduced by the Prime Minister (Mr. Bennett) on Feb. 22, the Bill entitled "Limitation of Hours of Work Act" was in conformity with the Draft Convention Limiting the Hours of Labour in Industrial Undertakings to Eight in the Day and Forty-eight in the Week adopted by the International Labour Organization Conference at Washington in 1919. The Bill was assented to on July 5 and was to come into force three months later. A further exemption of three months from the date of coming into force was granted to railway workers who had entered into agreements with employers at a date prior to Dec. 31, 1934. Before the adoption of a Senate Amendment stipulating the extended period as "three months" from the coming into force of the Act, the Bill had extended the exemption of the railway worker to Mar. 31, 1936.

Before the Committee of Banking and Commerce to whom the Bill had been referred after second reading, a number of industries made representations for exemptions, none of which was granted.

Two 1935 Acts Amending The Farmers' Creditors Arrangement Act

On Jan. 30 the Hon. E. N. Rhodes (Minister of Finance) introduced a Bill to amend The Farmers' Creditors Arrangement Act, 1934. The 1935 Amendment enlarged the period of stay of proceedings from sixty to ninety days; provided that in the event of one member of the Board becoming incapacitated, two members might appoint an *ad hoc* member; clarified the provision that the decision of the Board should be filed for purposes of record with the county court; and enabled the Chairman of the Board

to delegate a member of the Board to make inquiries in far-flung areas with the duty of reporting back to the Board. Three Amendments were made to the Bill by the Senate. The first made it clearer that the endorser was not released in respect of his obligations to pay the creditor if there was a proposal formulated with regard to a farmer. The second Amendment read: "Notwithstanding anything contained in the Bankruptcy Act, an insolvent debtor resident in the Province of Quebec, engaged solely in farming or the tilling of the soil, whose liabilities to creditors provable as debts under the Bankruptcy Act exceed $500, may make an assignment for the general benefit of his creditors in any case where the Board declines to formulate a proposal and certifies that in its opinion the debtors' affairs can best be administered under the Bankruptcy Act." The third Amendment stated that the Act should not, without the concurrence of the creditor, apply to any debt incurred after May 1, 1935. This Bill was assented to on Apr. 17. (See also Section: "Industries and Commerce" in this Volume).

Another Bill amending The Farmers' Creditors Arrangement Act was introduced on June 21. It related to the application of the 1934 Act in the Province of British Columbia. The Amendment provided that the Act should cease to operate in that Province on July 1, 1935. During the Debate on the Bill the Prime Minister (Mr. Bennett) explained that the Government, in introducing the Bill, wished to put into effect legislatively what the Supreme Court of British Columbia had done judiciously. The Prime Minister of British Columbia had announced in May (1935) that he proposed to challenge the validity of The Act of 1934. Amongst other pleas the Province asked the Supreme Court of British Columbia for an injunction to restrain the defendants from operating the 1934 Act in British Columbia. The Dominion Government did not appear in Court. On June 15 an interim restraining order was granted by the Court, the motion to continue the injunction being returnable on June 27. In a reported Press interview, Mr. Pattullo (Prime Minister of British Columbia) stated that he was quite content that the Act should be applicable so long as it did not apply to British Columbia. During the Debate on the third reading of the Bill (June 27), the Hon. Ian Mackenzie (Lib., Vancouver Centre), moved an Amendment calling for a six months' hoist. The Amendment was defeated. The Bill was returned from the Senate with an Amendment bringing the Act into force only upon proclamation; and with this addition the Bill was passed and assented to on July 5.

The Natural Products Marketing Act Amendment, 1935

The Bill to amend the 1934 Act was introduced on June 24 by the Minister of Agriculture (the Hon. Robert Weir). It was passed on June 26 and received Royal Assent on July 5. The 1935 legislation extended the usefulness of the 1934 Act by including articles wholly or partly manufactured or derived from any such product, and "such article wholly or partly manufactured or derived from a product of the forest as may be designated by the Governor-in-Council." This brought pulp and paper within the scope of the Act. In addition, the new enactment made provision for loans to local boards and for equalization of returns between two or more closely related allied products and also for expediting proof of the origin of a product. Failure to comply with orders or determinations or regulations under the Act would be punishable on conviction by a fine of not less than $25 and not more than $500, or by imprisonment not exceeding three months, or by both fine and

imprisonment. In any prosecution under the Act or under any regulation, the burden of proof would be upon the accused person.

Strong opposition was raised on July 2 and 3 to an additional amount of $1,000,000 in the Supplementary Estimates to be used as a fund to equalize prices in the dairy industry. Mr. Weir carefully explained that it was the intention of the Government to use the greater part of the $1,000,000 as payments to farmers who sent their milk to the cheese factories; such assistance would enable them to continue the practice and prevent their flooding Canada's butter markets.

Criminal Code Amendment Act, 1935

The Hon. Hugh Guthrie (Minister of Justice) introduced on May 23 a Bill to amend the Criminal Code in several respects. Three of the Amendments were intended to carry out the recommendations of the Price Spreads Commission: they would bring within the scope of the Act such offences as: false advertising; lowering the minimum wage rate and other evasion of wage laws; and discrimination in trade. The Bill received third reading on June 20, and the House later concurred in Senate Amendments, made, chiefly, to clarify the meaning of certain clauses.

The Amendment dealing with false advertising enacted that any one found guilty of publishing an advertisement containing a statement or guarantee of performance of any product not based on proper or adequate test should be guilty of an offence and liable on summary conviction to a fine not exceeding $200 or to six months' imprisonment. This Amendment came into force Jan. 1, 1936.

A new Section (415A) enacted that "everyone is guilty of an indictable offence and liable to two years' imprisonment or to a fine not exceeding $5,000 or to both who, knowingly, (a) employs a person at a rate of wages less than the minimum wage rate fixed by any law of Canada; (b) falsifies any employment record with intent to deceive; (c) punches any time clock with intent to deceive; (d) puts the wages of more than one employee in the same envelope with intent to evade the provisions of any law of Canada."

Another new Section (498A Chap. 56 of the Statutes, 1935) subsequently before the Supreme Court and the Judicial Committee of the Privy Council, enacted "that every person engaged in trade or commerce or industry is guilty of an indictable offence and liable to a penalty not exceeding $1,000 or to one month's imprisonment, or, if a corporation, to a penalty not exceeding $5,000 who (a) discriminates in trade (co-operative societies excepted); (b) lowers prices in particular areas for the purpose of destroying competition; and (c) engages in a policy of selling goods at prices unreasonably low for the purpose of destroying competition or eliminating a competitor."

A few other Amendments were also made to the Act in response to requests from various parts of Canada. The horse-racing clause was amended to read "Provided that as to race meetings at which there are running races, no such race meeting continues for more than fourteen consecutive days on which such racing may be lawfully carried on, and that there be no more than seven such races on any one of such days, unless one be a steeplechase or a hurdle race, in which event there may be eight races; and provided that no such association holds, and that on any one track there be not held, in any one calendar year, more than one race meeting, at which there are running races, of more than seven

and not exceeding fourteen such days, or two such race meetings having an interval of at least twenty days between them of not more than seven days each." The Senate added the following Amendment about trotting or pacing races: "Provided that also as to the race meetings at which there are trotting or pacing races exclusively, no such race meeting continues for more than fourteen days on which racing may be carried on, and that no race meetings at which there are trotting or pacing races are held on the same grounds for more than fourteen days in all in any one calendar year." The Bill provided, in the case of motor cars being driven by intoxicated persons, that there should be no suspension of sentence. The change was made because some magistrates thought that they were entitled to suspend sentence notwithstanding that they found the party guilty. A clause was included making it an indictable offence, liable to two years' imprisonment or a fine of $500 or both for one that "makes a statement, whether in writing or verbally, which is, to his knowledge, untrue or misleading for the purpose of procuring a passport or a *visa* thereof or an endorsement thereon whether for himself or any other person."

When introducing the Bills, Mr. Guthrie admitted that some of the clauses had been pronounced, not invalid or *ultra vires* but of doubtful validity; but that, as they followed as closely as possible the recommendations of the Price Spreads Commission, he was submitting them for discussion. A long legal discussion followed. Mr. J. L. Ralston (Lib., Shelburne-Yarmouth) urged the Government not to waste the time of the House by submitting legislation of doubtful validity and to proceed with more useful business. Mr. W. W. Kennedy (Cons., Winnipeg South Centre) replied that if the legislation were found to be invalid it would at least serve the purpose of directing the eyes of the people of Canada to the necessity of a readjustment of legislative jurisdiction as between the Dominion and Provinces. The legislation, he said, was designed to clip the wings of "chisellers" and to make it easier for those who wanted to do business in a decent way to do so.

The Companies Act Amendment, 1935

The 1935 Amendment to the Companies Act of 1934 (See *The C. A. R. 1934*) contained provisions to meet recommendations of the Price Spreads Commission. It came into force by proclamation on Sept. 15, 1935. By the 1935 enactment Section 5 of the 1934 Act was amended by a clause stipulating the grounds for cancellation of letters patent. The new Act provided that shares to be allotted for consideration should be fixed by boards of directors; that the consideration for such shares should be a fair equivalent of cash; that, in no case should shares of a public company, whether with or without par value, be issued and allotted "to which shall attach any exclusive right to control the management of the business or affairs of the company by the election or removal of the board thereof or otherwise"; that a company might, from time to time, and subject to confirmation by supplementary letters patent, consolidate, reduce, increase, etc., share capital provided that no limitations were imposed upon the right to vote; that directors of a company, in the event of no such provision in the letters patent, might create or convert preferred shares into common, provided that the terms of such by-laws were fully set out in the certificates of such shares.

Other provisions of the Act were concerned with the following: consent for redemption or conversion of preferred shares; *bona fide* information in company prospectuses and responsibility for statements made there-

in; responsibility of elected directors; responsibility of officers of a public company in the making known to directors discovery of serious impairment of capital; duties of a director of public companies in providing regular statements of his personal account as to shares of the company. Other clauses of the Act had to do with the presentation of an annual financial statement of a company at a shareholders' meeting; also the sending of a copy of such a statement to the Secretary of State.

The Hon. C. H. Cahan, who had charge of the Bill, fully explained to the House why effect was not given in the provisions to the full nineteen recommendations of the Price Spreads Commission. As an instance, he stated that the first recommendation called for the abolition of no-par value shares, or, as an alternative, the crediting to capital account of the full consideration received for no-par value shares. The summary abolition of no-par value shares would compel, Mr. Cahan said, the reorganization of a large majority of industrial and commercial companies. He pointed out that the Bill, however, contained a partial compliance with the alternative: Section 4 provided that "the consideration received therefor shall be deemed to be capital except a part not exceeding 25 per cent. which may be set aside as distributable surplus."

The Section of the existing Act which permitted directors at any time, with the sanction of a vote of two-thirds of the shareholders, to set aside as distributable surplus a part of the consideration received for the issue of no-par value shares was repealed. Instead there was enacted a Section which provided that: "Shares in the capital stock of the company having a nominal or par value shall not be issued as fully paid except for a consideration payable in cash to the total nominal amount of the shares so issued, or for a consideration payable in property or services which the directors may determine by express resolution to be in all the circumstances of the transaction the fair equivalent of cash to the total amount of the shares so issued."

During the discussion on the Bill Mr. P. F. Casgrain (Lib., Charlevoix-Saguenay) asked whether the abolition of no-par value shares was not one of the promises in the reform programme outlined in Mr. Bennett's radio addresses. The Prime Minister stated that it was—"What is more, I said that if the Price Spreads Commission recommended the abolition of no-par value shares I would vote for it. I will vote for it to-day if there is a Motion to that effect. . . . The Commission put the no-par value shares in the alternative. Had they suggested, as I understood the views of many of the Commission were, that they should be abolished, certainly it would have been so found."

The Bill was before the Banking and Commerce Committee of the Senate who inserted 29 Amendments, all of which were concurred in by the lower House. One Amendment deleted the effort of the Bill to define speculation. Other Amendments met constitutional objections of underwriters, making the definition of that class less embracing and making less drastic the prospective provisions. The Bill received Royal Assent on July 5.

The Canadian Wheat Board Act, 1935

In order to cope with the serious situation in Western Canada the Prime Minister (Mr. Bennett) introduced on June 10 a Bill to establish a Canadian Grain Board; it was based on a Resolution which had appeared on the Order paper several months earlier. The intent of the Bill was to create a board with powers to take over all grain elevators in

the Prairie Provinces and to control exclusively the inter-provincial and export marketing of the grain crop of the West. The Bill was strongly opposed by the Liberal Opposition because of its compulsory features. While officials of the Pools were favourable to the Bill in its entirety, members of the grain trade and of the Winnipeg Grain Exchange were strongly against it. The latter predicted the complete destruction of their business and the end of trading in futures on the Winnipeg Exchange. After a Debate which lasted the greater part of four days the Bill was referred by agreement to a Special Select Committee of nine Members, five, Conservative and four, Liberal. (See this Section under "Special Committees, 1935"). As Chairman of the Special Committee Mr. Bennett submitted to the House on July 2 the Bill as amended. It bore the title "The Canadian Wheat Board Bill."

During the short Debate on the Bill before receiving third reading Mr. Mackenzie King (Opposition Leader) stated that the amended Bill was "a new Bill". He acknowledged the Prime Minister's efforts to get the views of members of the Special Committee in the Bill as finally drafted. The Bill as originally introduced, he claimed, would never have passed the House without prolonged controversy and discussion, "if it would have passed at all. The Bill which has passed through Committee this day with so very little in the way of discussion has done so in virtue of the changes made by the (Special) Committee in the original Bill, changes which served to make it acceptable to this House and, I believe, will serve to make its provisions acceptable also to the country."

The compromise Bill was adopted by the Commons with some minor changes and, by the Senate, unchanged. The Act set up a Board of three members to be appointed by the Governor-in-Council with headquarters at Winnipeg. It provided that the Governor-in-Council might appoint during pleasure an Advisory Committee of not more than seven members, three of whom should represent wheat producers; that the Board should undertake the marketing of wheat in interprovincial and export trade and for such purposes should have all the powers of a corporation "and without limitation upon such powers the following:—(a) to receive and take delivery of wheat for marketing as offered by the producers thereof; (b) to buy and sell wheat: provided that no wheat shall be purchased by the Board except from the producers thereof; (c) to store and transport wheat; (d) to operate elevators, either directly or by means of agents, and subject to the provisions of The Canada Grain Act or any other statute or law, to pay such agents commissions, storage and other charges, remuneration or compensation as may be agreed upon, with the approval of the Board; (e) to pay to producers delivering wheat at the time of delivery or at any time thereafter as may be agreed upon such fixed price per bushel, according to grade or quality or place of delivery, as may be determined by the Board with the approval of the Governor-in-Council; and to issue to such producers when such wheat is purchased certificates indicating the number of bushels purchased, the grade, quality and the price, which certificates shall entitle the producer named therein to a share in the equitable distribution of the surplus, if any, of the year's operations of the Board, it being the true intent and meaning of this Section that each producer shall receive for the same grade and quality of wheat the same price on the Fort William basis. Such certificate shall not be transferable, and a statement to that effect shall be printed on the face thereof; (f) notwithstanding anything hereinbefore contained, to acquire from Canadian Co-operative Wheat Producers Limited, upon terms to be approved

by the Governor-in-Council, all wheat or contracts to purchase or take delivery of wheat in respect of which the Government of Canada has given a guarantee."

The duties of the Board included the fixing of a price to be paid to the producers of wheat; the selling from time to time of all wheat which the Board might acquire, for such price as it might consider reasonable, with the object of promoting the sale and use of Canadian wheat in world markets; the offering of wheat continuously for sale in the markets of the world; and the making of such investigations of the operations of the exchanges in Winnipeg and Vancouver as it might deem necessary.

While the duties of the Board were to be confined to wheat, it was provided that, if the Board recommended it, the Act might apply also to oats, barley and rye.

The Act, with the exception of four Sections, came into force when assented to on July 5. These Sections, comprising compulsory features of the original measure, related to the operation of elevators, prohibition of receipts by transportation companies after notice of contravention and the penalties: they were to come into force after proclamation.

During the discussion of the Bill Mr. Bennett described the unpreparedness of Canada with regard to the wheat situation in 1930; her failure to recognize the fact that the non-producing wheat countries during the Great-War period had been regaining their normal positions during the years 1925 to 1930. Not only had these countries been supplying, during these latter years, their domestic needs but they had also entered, again, the wheat export field. The Government, the Prime Minister continued, had had before them in 1930 the question as to whether an effort should be made to prevent chaos in the largest industry of Canada. They had realized at the time that the Canadian wheat surplus had to be dealt with in an orderly manner; hence their action in giving to Mr. John I. McFarland, head of the Canadian Co-operative Wheat Producers Limited, the guarantee of the Government in his wheat operations.

The Prime Minister pointed out that in 1932 Canada had produced the third largest wheat crop in her history. During nine weeks 206,000,000 bushels had been delivered to the elevators—it was necessary that wheat should be moved out of the country, otherwise congestion was inevitable—the elevators were unable to carry the extra load. The price dropped to 50 cents, then to 45 cents and, finally, notwithstanding the enormous purchases made by Mr. McFarland with the guarantee of the Government, the price fell to 38½ cents, the lowest in 400 years. What would have happened if no support had been given? Mr. Bennett demanded. Could the people of Canada, he asked, have afforded to see wheat, "the product that plays so large a part in the economic life of the country, become the sport and play of supply and demand, at 38 cents a bushel?"

"During these years beginning with 1930," the Prime Minister continued, "Mr. McFarland undertook, without salary, to serve his country and Western Canada particularly, to the best of his ability. He received no salary, as was stated in the Committee a year ago, and he has given himself so unremittingly to his toil that he is now another wreck of this depression, physically. . . . I was in England when he undertook the duties of Manager of the Wheat Pool. We guaranteed the Wheat Pool's liabilities later, for the purpose of enabling it to protect and stabilize the Canadian market. Some people have said that that is speculating, and

I will deal with that promptly. The Canadian Wheat Pool has been the hedgetaker on the Winnipeg Exchange. I am going to explain to the House, especially to my hon. friends from parts of Canada other than the West, what is meant in the use of these terms. If the wheat is sold on the market the elevator companies must pay the farmer for it in full or the farmer may store it and get an advance; but, if he does what is done so frequently, he puts his wheat in the elevator and gets his ticket as to weights, and is paid on the basis of the Fort William price for that grade at the prevailing rate of that date, converted into terms of price at the elevator, wherever it may be. That being so, the bank provides the elevator with credit to enable it to pay in full. No elevator company has sufficient liquid capital to enable it for longer than a few weeks in the year to carry on business on its own resources. It therefore has to seek accommodation from the banks and the banks grant a line of credit on the hypothecation of wheat by the elevator company. The banks are never willing nor prepared to have a loss by reason of great fluctuations in price and so they compel their customers, the elevator companies, to hedge their purchases every day, by which is meant that they must find some one willing to buy that wheat. That is a hedge; that is what has to be done. Now I put to this House very simply this single question. When the speculator disappeared from the markets, he having been the hedgetaker in days gone by, and the purchasers were not on the market to acquire the wheat, who was going to hedge it? That is the question. Who is going to hedge that wheat? There was only one hedgetaker and that was the Canadian Co-operative Wheat organization, and they had to take, day after day, thousands and even millions of bushels, hedged for the purpose of preventing absolute chaos in the marketing of Canadian wheat. Is there any gentleman in the House who will say otherwise? Let him rise and say that he would not have hedged this wheat nor provided the credit of the Canadian people to save the greatest industry in this country. Let him say that he would prefer bankruptcy for the whole of Western Canada and the destruction of the entire economic structure which we have built up during the last fifty years. That is what the matter comes to; let there be no misunderstanding about it."

Mr. Bennett went on to say that by accepting hedges in 1932, 1933 and 1934 the Pool had had a carryover of approximately, 220,000,000 to 225,000,000 bushels; that this had been accumulated on the guarantee of the Dominion of Canada under the circumstances to which he had alluded; and that, in the Committee of 1934, there had been a vote of 26 to 10 not to disclose the financial position of operations. He knew of no other method, he said, by which the Government could have prevented a *débâcle* on a scale never before known in Canada than the one adopted. He knew that there were some that suggested that they should have let the wheat go at any price and withdrawn the guarantee, but he had not been prepared to do that.

Continuing the Debate, the Hon. J. L. Ralston (Lib., Shelburne-Yarmouth) pointed out that Mr. Bennett, notwithstanding the deluge of figures placed on *Hansard,* had omitted to state the amount to which the country was committed in connection with the wheat guarantees given by the Government. He submitted that the proposed compulsory wheat board which would shear Mr. McFarland of his authority was really for the purpose of covering the mistakes of the Government in connection with their wheat policy. He did not believe that the people of Canada were favourably disposed toward a compulsory wheat board. There was no record of any man in the House opposing or criticizing the

action of the Government in granting assistance to the Western wheat situation but there had been criticism, he said, of the method whereby the undertaking had been carried out. He urged that a major duty of any grain board then appointed should be to liquidate or dispose of the tremendous carryover revealed for the first time by the Prime Minister. At the same time he submitted that the Board should have the equally important duty of seeking to maintain a stabilized price structure in order to protect the Canadian wheat growers against a runaway market.

Speaking for the Opposition (Liberal) Mr. Mackenzie King said that they would support the second reading of the Bill on the understanding that they reserved the right to propose, without prejudice, any Amendment in Committee, particularly with regard to the existing emergency situation and to the compulsory features.

In closing the Debate, Mr. Bennett said: "I think it very desirable that I should immediately point out to the House that the carryover of 225,000,000 bushels is 25,000,000 more than the estimated visible supply of wheat in Canada. I wonder if the true significance of that fact has dawned on the Members of this House? This is what it means: If the farmers and millers have 10,000,000 bushels the visible supply must be reduced by that amount leaving 190,000,000 bushels of wheat. But there are 225,000,000 bushels held by Mr. McFarland in the form of cash wheat and futures. In other words somebody is 35,000,000 bushels short on the Winnipeg market." Mr. Bennett then gave a *resumé* of the wheat situation in the Autumn of 1934, while he was in England. How "there had been thrown upon the market at Winnipeg, from what source no man knows, millions of bushels of wheat, just before the Exchange closed. Someone sold one, two, three, four, five million bushels of wheat short; somebody who had no wheat was offering wheat for sale. That is what was happening. What were we to do? The limit mentioned by Mr. McFarland, in his evidence before the Committee, as to the amount of bushels for which he might become responsible under his credits, had been exhausted. My colleagues desired my view. . . . A raid had been contemplated by international dealers in this commodity, and for what purpose? Do I have to indicate the purpose when I indicate to you the present shortage? Before my message which was despatched and which reached Ottawa at nine o'clock in cipher could be deciphered and telephoned through and the banks communicated with, there was thrown upon the market an additional quantity of wheat amounting to millions of bushels and the price fell six cents. Let us take the facts, Mr. Speaker. Let us realize clearly the gravity of the problem with which we are dealing. I said then what I say now, that I do not propose so long as I can help it that the Dominion of Canada wheat producers shall become the play and sport of international speculators." Mr. Bennett added that in view of the misrepresentations and misstatements in the House, he had felt compelled to make the foregoing statement.

Mr. C. E. Bothwell (Lib., Swift Current) asked how, if Mr. McFarland had been buying only hedges, had it been possible to buy 35,000,000 bushels of wheat that did not exist. Mr. Bennett replied: "If speculators threw it on the market, he either had to buy it or see the market destroyed and chaos result. That is the very point. Somebody went on that Exchange and sold 35,000,000 bushels of wheat they did not own, and Mr. McFarland, to protect the honest Canadian producer from ruin, bought that wheat and now they are trying to destroy the market and have a fire sale so that they can buy the wheat back and escape a loss."

Relief Enactments, 1935

The Relief Act of 1935 provided (1) for such payments out of the Consolidated Revenue fund as might be necessary for such relief purposes as granting financial assistance to the Provinces in connection with their respective relief measures and by way of loans, advances, guarantees, etc., to the Canadian Co-operative Wheat Producers Limited; and (2) for special relief, works and undertakings under control and direction of the Department of National Defence and the Department of the Interior. The Act gave power to the Government to take such measures as should be necessary to maintain peace, order and good Government throughout Canada as well as to protect and maintain the credit and the financial position of the Dominion or the Provinces; and to pay all undischarged obligations created under the 1934 Relief Act out of the Consolidated Revenue Fund. The Relief Act 1935 was to expire Mar. 31, 1936, but obligations and liabilities incurred or created under the authority of the Act might be paid out of the Consolidated Revenue Fund after the expiration date.

The Supplementary Public Works Construction Act, 1935

Under The Public Works Construction Act, 1934, which made provision for certain public works to promote recovery of trade and industry, there were, in 1935, public works under construction amounting to about $30,000,000. A Bill introduced on Apr. 15 by the Hon. H. A. Stewart (Minister of Public Works) declared that employment could be further stimulated by the public works mentioned in the schedule attached. For these purposes a sum not to exceed $18,000,000 was appropriated. In addition the Government was authorized to guarantee an issue of securities by the Canadian National Railways for $8,000,000 and by the Canadian Pacific Railway for $7,000,000 for the acquisition, betterment or repair of railway equipment. Provision was made that in giving employment first consideration should be extended to those most in need in the locality of the works, without any discrimination, and that preference should be shown to unemployed ex-service men and unemployed married and single men with dependants. The schedule attached mentioned 14 items making a total of $17,940,000. The largest were railway grade crossings, $1,000,000; geological surveys, $1,000,000; Montreal Harbour, $3,500,000; Quebec Harbour, $1,250,000; Toronto Harbour tunnel, $1,000,000; public buildings, $4,000,000; and Interior Department, $1,500.000. The Bill was designed to provide employment in many parts of the country.

The Dominion Housing Act, 1935

The Bill to Assist in the Construction of Houses, which was considered by a Special Committee, was given its third reading without division on June 25. It was assented to on July 5. Under the Act, which was commonly called "The Dominion Housing Act," it was possible to build a $5,000 house with an initial capital of $1,000 and to pay off the balance at a rate of $26.40 per month in twenty years. Interest charges were fixed at a maximum rate of 5 per cent. The Act stated that any losses that might occur should be divided between the Government and the lending institutions; if, at the time a loss occurred the amount owing under the mortgage was more than the advance by the lending institution, two-thirds should be borne by the Government, and one-third by the lender; if the amount owing were less than the advance by the lending institution, that body should bear two-thirds and the Government, one-third.

For the construction of a single dwelling or a larger building to be used as residences only, it was provided that the Government and approved lending institutions should advance 80 per cent. of the appraised value or estimated cost, whichever was the lesser—the approved lending institution advancing 60 per cent. of the loan and the Government, 20 per cent. It was provided that prospective builders should apply direct to lending companies; that the Government should receive only 3 per cent. on their money; and that under the contract not more than 5 per cent. should be charged to the borrower.

Provision was also contained in the Act for similar loans to local authorities in community housing projects. In the case of homes built for sale, the Act stated that 25 per cent. of the loan should be withheld until a satisfactory sale had been completed; and in the case of apartments, the same percentage should be held back until leases had been signed for 90 per cent. of the available accommodations.

First mortgages, the Act stipulated, should be taken as security, jointly in the name of the King, and the right of the Dominion and the lending institutions. They should be for ten-year periods, subject to ten-year renewal.

An appropriation of $10,000,000 out of the Consolidated Revenue Fund provided for the purposes of the Act.

This housing legislation was in operation by Aug. 28, 1935. A few days later, the Department of Finance issued a list of approved lending companies with which the public might do business under the Act.

The Canadian Fisherman's Loan Act, 1935

The Hon. Grote Stirling, Acting Minister of Fisheries, introduced on June 25 a Bill to establish a system of long-term mortgage credit for fishermen, under the administration of the Canadian Farm Loan Board. The Bill was adopted without division. The Act provided that the Government might subscribe to an initial capital of $300,000; this was in much the same way that the Canadian Farm Loan Board was started. They would subscribe an amount of five per cent. of the capital stock as loans were made, purchase fishermen's long-term loan bonds in an amount not exceeding $500,000; and guarantee the principal and interest of such bonds in an amount not exceeding $1,000,000. Mr. Stirling explained that the question of providing facilities for granting loans to fishermen had given the Government a considerable amount of concern for a long time, not only because of the representations made by the fishermen's associations, by Members of the House and by the public but also because the majority Report of the Price Spreads Commission asked that it should receive early and favourable consideration. Mr. William Duff (Lib., Antigonish-Guysboro) thought that the sum of $1,800,000 provided for in the Bill was almost an insult to the great fishing industry of the country.

The Canadian Farm Loan Act Amendment, 1935

By an Amendment to the Canadian Farm Loan Act important changes were made in the method prescribed for administration of loaning operations under the Board in the Provinces and also in the financial structure of the Board. The new Act facilitated and increased extension of credit to farmers.

Under the original Act, the Board had been empowered to initiate loaning operations only in such Provinces as had, by the enactment of

Provincial enabling legislation, signified their intention of participating in the Farm Loan scheme administered by the Board. By the Amendment of 1935 the Board was authorized to initiate loaning operations in all Provinces without the authority of Provincial enabling legislation, operations to be carried out in each Province by a Chief Executive Officer nominated by the Board.

The new enactment stipulated that either the Deputy Minister of Finance or the Comptroller, Government Guarantee Branch of the Department of Finance, should be a member of the Board. The membership of the latter was fixed at not less than three nor more than five, of whom one, the Farm Loan Commissioner, should be chairman.

The maximum loan to any individual borrower was reduced from $7,500 to $5,000 on first mortgages and to a maximum of $6,000 on both first and second mortgages. The Board's position was strengthened with respect to the security taken for the loans made; the Amendment defined and declared securities so taken to be securities of the Crown in the right of the Dominion, such securities to have priority over all liens, charges and privileges subsequently arising by virtue of Provincial legislation and attaching to the real or personal property upon which the Board's security for loan was taken.

The Senate made a number of Amendments to the original Bill, all of which were concurred in by the House and were embodied in the Act with the exception of two.

The Prairie Farm Rehabilitation Act, 1935

A Bill introduced by the Hon. Robert Weir, Minister of Agriculture, on Apr. 10 and which received the Royal Assent on Apr. 17 provided for the rehabilitation of drought and soil drifting areas in the Provinces of Manitoba, Saskatchewan and Alberta. It provided also for the appointment of a Prairie Farm Rehabilitation Advisory Committee to advise as to the best methods to secure this condition and to develop and promote within those areas systems of farm practice, tree culture and water supply that should afford greater economic security. For this purpose the sum of $750,000 was appropriated for the fiscal year 1935-36. Provision was made for a further period of four years and for a sum not exceeding $1,000,000 per annum as might be necessary to continue and extend such work.

The Economic Council of Canada Act, 1935

This Act provided that a Council of fifteen members should be established to assist the Prime Minister in the solution of pressing social problems; that these members should act without remuneration but should be paid travelling and living expenses incurred in connection with the business of the Council; that the Prime Minister should be Chairman of the Council and the Dominion Statistician, Secretary, one of the latter's duties to be the preparation of an annual report.

Members of the Council might be officers of the Public Service of Canada, not exceeding seven in number; representatives of social or economic organized bodies, not exceeding five in number; and other persons of experience or knowledge in connection with social or economic problems, not exceeding three in number. Experts in particular subjects might be employed in special work.

The general duties of the Council, who would meet twice a year or more often, were to be as follows: "(a) to study, investigate, report and

advise upon questions relating to the general trend of social or economic conditions or to any social or economic problem of Canada, and to authorize the investigations in that behalf as hereinafter provided; (b) to make recommendations to promote and co-ordinate social and economic research within Canada; (c) to make recommendations to co-ordinate the activities of a social or economic character of the several Departments of the Government of Canada; (d) to make recommendations as to the organization of statistics as the basic data required for social and economic investigations; and (e) to publish such reports and findings as may be considered to be in the public interest."

During the Debate on the Bill Mr. Mackenzie King (Opposition Leader) declared that such an Economic Council responsible to the Prime Minister would greatly add to the Prime Minister's responsibilities instead of lessening his burdens. He was in favour of having two or three men attached to the Prime Minister's office in a personal capacity, such as that filled by Sir Maurice Hankey in Great Britain, but he contended that the function of research into social and economic questions would have to be kept apart.

This Act was repealed by an Act during the First Session of the Eighteenth Parliament, the Bill being introduced by J. F. Pouliot (Lib., Temiscouata).

Canadian National Railways Enactments, 1935

The Hon. E. N. Rhodes, Minister of Finance, introduced on Feb. 14 a Bill to provide for the refunding of maturing and callable obligations of the Canadian National Railways and for the issue of substitute securities, guaranteed by the Dominion, in an amount not exceeding $200,000,000. He explained that it had been the practice, from time to time, to take power through an omnibus Bill to refund and to fund the direct obligations of the Dominion; that the 1935 Bill would take the same course with respect to the guaranteed obligations or, in other words, the obligations of the Canadian National Railways which bore the guarantee of the Dominion of Canada; that there were callable provisions in connection with a number of the issues which would enable the Dominion, if the market conditions warranted, to refund, in the course of the year, not less than $172,000,000; that two issues of the C.N.R., amounting to about $20,000,000 had fallen due in December; that these had been refunded with an issue of three per cent. securities which would save the Dominion not less than $200,000 a year in interest. He further explained that on Feb. 15 there would fall due an issue of $17,000,000 of 4½ per cent. guaranteed Canadian Northern bonds; that arrangements had been made temporarily to refund these upon a two per cent. basis; and that, as the market presented the opportunity, these would be refunded for a longer term, saving a substantial sum in interest as against the rate which the maturing issues bore. If, he said, they were able to refund the total amount, which they could refund through callable provisions, during the course of the year, upon a basis comparable to the existing interest rate, they would be able to effect a saving in interest alone of, in round figures, $2,500,000 a year.

The capital structure of the Canadian National Railways was discussed at length on Feb. 22 when the Hon. R. J. Manion, Minister of Railways, introduced a Bill to appoint Messrs. Clarkson, Gordon, Dilworth, Guilfoyle and Nash, Toronto, independent auditors for the year 1935. The Minister took the stand that the Government-owned railway would not be benefited at all by any writing-down of its stock capitalization

through transferring large proportions of the road's obligations direct to the Government's shoulders. Mr. Bennett declared that it would be well "for this young country" that an investment which it had made in railroads and which had become valueless should be constantly before it as a deterrent from practising the same thing in future.

On Motion of Sir George Perley on Mar. 4 there was added to the Standing Committees of the House a Standing Committee on Railways and Shipping owned, operated and controlled by the Government. The question of the capital structure came before this Committee on Mar. 28 but the Chairman, Mr. G. R. Geary (Cons., Toronto South) ruled that it was *sub judice*. On Apr. 11 Dr. Manion moved that, in the opinion of the Committee, changes in the capital structure of the Canadian National Railways constituted too large a question to be dealt with at that late hour of the Session and that the subject should be studied by a Committee consisting of the Deputy-Ministers of Railways, Justice and Finance in order to pass upon the practical, financial and legal questions involved. The Committee adjourned without a vote being taken.

The question of amalgamation or unification of the C.N.R. and the C.P.R. arose on Mar. 27, when the House had under consideration the Bill to stimulate employment throughout the Dominion by authorizing new works for about $18,000,000 and by guaranteeing $15,000,000 of securities of both railways to speed up equipment orders. The Minister of Railways (Dr. Manion) said: "With respect to the rumours which are afloat against this Government, most unfair and vicious rumours of all kinds, let me say that there has been no thought on the part of this Government of bringing about amalgamation of the two railways. No one on this side of the House, either in the front lines or in the rear, so far as I know, has come out for the amalgamation of the C.N.R. and the C.P.R. My right hon. Leader (Mr. Bennett) in Winnipeg (June, 1930) used a phrase which has since been quoted and which he has never gone back on—'Competition ever, amalgamation never.' This Government is not favourable to amalgamation. In the C.N.R.-C.P.R. Railway Bill of 1933 we incorporated Clause 27 which forbids amalgamation. I repeat here, what I said at Brockville and at Smith's Falls, that under present conditions there is no solution for the Canadian railway problem by means of amalgamation. I want it clearly understood that this Government is not for amalgamation, has never come out for it, and anybody who makes statements to that effect wilfully tells what is not true." When asked whether he was speaking for the Government and for the Prime Minister (Mr. Bennett) Dr. Manion replied: "Certainly; the Government includes the Prime Minister and I am speaking for the Government and the Prime Minister if the hon. Member wants them enumerated separately."

The Patent Act, 1935

A Bill to amend and consolidate the Acts relating to patents and inventions met with strong opposition from many interested parties. When introducing the Bill on Jan. 25, the Hon. C. H. Cahan, Secretary of State, said that the monopoly conferred by patents had been abused by foreign holders of Canadian patents; that when the Economic Conference met in Ottawa in 1932 complaint had been made by industrialists throughout Canada that trade with the United Kingdom in certain mechanical appliances which were patented was being prevented by the fact that inventors of the United Kingdom, when making assignments or grants to licensees under their patents, were accustomed to include

Canada and the United States in one field of operations. These industrialists claimed that when they went to the United Kingdom to buy mechanical appliances, patented and manufactured there, for importation into Canada, they found that in many cases the inventor had granted the sole right for Canadian territory to manufacturers in the United States. They were told, Mr. Cahan said, that they could not purchase these appliances in the United Kingdom but must obtain them for use in Canada from New York, Pittsburgh, Chicago or some other city in the United States. This showed, he said, that, with regard to patents applied for originally in the United Kingdom and thereafter applied for in Canada, monopolies were set up in Canada which prevented the production of a patented process in Canada although a considerable demand might exist in the Canadian market.

The Bill proposed to modify the duration of a patent and to make other changes. Later the Bill was withdrawn and sent to the Senate. There, it was referred to the Committee on Banking and Commerce which heard representatives of the Canadian Manufacturers' Association, Boards of Trade, patent solicitors and other allied interests.

In introducing the Senate Bill to the Commons on May 28 Mr. Cahan spoke of the active interest shown by the Committee in the Bill. Certain Sections provided that the Commissioner of Patents, upon being satisfied that a case of abuse of the exclusive rights under a patent had been established, might exercise certain powers; that he should consider the matters alleged in every application made respecting abuses, and should serve notice of such application upon the patentee or his representative; and that, in certain cases, the Commissioner might refer, with the consent of the Minister, the whole proceedings to the Exchequer Court for judicial decision. The English procedure which was adopted in its entirety proved very efficient in meeting each such abuse as it arose. "After these proposals," said Mr. Cahan, "had been heard during 19 sittings of a Senate Committee, at which all parts of the country and all interests were represented, it was agreed by those opposing as well as those advocating the introduction of these provisions that they were the most fair, equitable and effective provisions which had yet been suggested." The Bill finally was passed on June 4, practically as received from the Senate, and came into force, by proclamation, on Aug. 1, 1935 as Chap. 32, Statutes of Canada, 1935, occupying 33 pages.

The Radio Broadcasting Commission Acts, 1935

A Bill to lengthen the life and authority of the Canadian Radio Broadcasting Commission for two months, presented to the House on Apr. 16 by Sir George Perley was the occasion for a vigorous attack on that institution. The Hon. W. D. Euler, former Minister of National Revenue; the Hon. Ernest Lapointe, former Minister of Justice; Mr. P. F. Casgrain, chief Liberal Whip, and Mr. J. F. Pouliot (Lib., Temiscouata), charged that political partisanship had marked the work of the Commission and appointments to it, while Mr. Euler, referring to the radio situation in Western Ontario, declared it had been "bedevilled by politics" and demanded a thorough investigation.

The Hon. Alfred Duranleau, Minister of Marine, denied charges of political partisanship. Sir George Perley said that many difficulties confront the Radio Commission but he felt personally that the service ought to be carried on by a commission. The Bill was then given its third reading without division. A storm broke out on June 6 when the House was in Committee of Supply on an item of $1,500,000 for the Commission.

Liberal and C.C.F. Members objected vigorously to the radio regulation No. 90 which read: "No broadcasting station may broadcast any speech, printed matter, programme or advertising matter containing abusive or defamatory statements with regard to individuals or institutions or statements or suggestions contrary to the express purpose of any existing legislation; as for example the Patent Medicine Act or any regulations promulgated thereunder." It was held that this would prevent criticism in the coming Election campaign of legislation enacted during the previous four years. The Hon. E. N. Rhodes stated that if that interpretation could be placed on the regulation then the Government would be well warranted in taking action to change it. After some further discussion the item was passed.

The subject came up again on June 20 on a Bill to extend the life of the Commission to the end of the fiscal year. An Amendment of the regulation to which objection had been taken was read by Mr. Duranleau as follows: "No broadcasting station may broadcast any speech, printed matter or programme containing defamatory, libellous or obscure statements with regard to persons or institutions, or statements of a treasonable character or intended to promote change by unlawful means and which might lead to a breach of the peace, or any advertising matter containing false or misleading statements." He stated that he would see that it was adopted by the Commission and ratified by Order-in-Council. This proved to be satisfactory to the House and the Bill was passed. In the course of the discussion Mr. Bennett said: "I have not been blind to the fact that there has been an insidious campaign going on for the purpose of endeavouring to destroy the public facility from the standpoint of public approval of its operation." He added that they had reason to congratulate themselves upon the fact they had retained this facility as the property of the people and that for the moment there was no weakening on the part of those charged with the responsibility in their determination to maintain it as a publicly-owned facility.

Customs Tariff Amendment; Trade Agreements, 1935

An Amendment to the Customs Tariff provided that the Government by Order-in-Council might from time to time either grant or withdraw the most-favoured-nation treatment to any British country or to any territory administered under a mandate of the League of Nations by any British country and from and after the date specified in the Order-in-Council the most-favoured-foreign-nation treatment should apply or cease to apply to goods, the produce or manufacture of such British country or mandated territory, subject to the provisions of the Act. Mr. Rhodes explained to the House on May 31 that in the Trade Agreement with Poland Canada gave to that country favoured-nation treatment; but that, by virtue of the fact that the Government had not authority, by Order-in-Council, to grant that treatment to Great Britain, actually Poland was in a better position than Great Britain with respect to certain commodities included in that Treaty. "The obvious advantage would be that we could immediately give to the Mother Country the same treatment as we give to other countries." Another Section of the Customs Tariff Amendment enabled the Government to give favoured-nation treatment to any country. "At the present time," Mr. Rhodes explained, "there are negotiations with other countries which I believe will result in our arriving at an understanding in the near future but probably not before Parliament rises. In that event we would be able to grant favoured-nation treatment to those countries."

Miscellaneous Acts of 1935

The Hon. Hugh Guthrie, Minister of Justice, on May 31, introduced a Bill to amend The Combines Investigation Act in accordance with the recommendations of the Price Spreads Commission. The main purposes of the Act, which received the Royal Assent on July 5, and came into force on Oct. 1, 1935, was to transfer the administration of the Act to a new commission, responsible only to the President of the Privy Council (the Prime Minister).

An Amendment to the Weights and Measures Act, implementing a recommendation of the Price Spreads Commission, enacted that the cord should contain 128 cubic feet and that the fluid ounce should be the one hundred and sixtieth part of the gallon. Penalties were provided in the Act for selling by weight, number or quantity short of the quantity ordered, also for having false or unjust weights and for using unstamped weights or measures. In addition, it was enacted that the size or capacity of containers, etc., should be in terms of Dominion measure.

Among the Amendments to the Live Stock and Live Stock Products Act, which implemented certain recommendations of the Price Spreads Commission, were regulations as to (a) the manner in which stockyards and packers' yards should be constructed and operated; (b) the manner in which complaints against them should be investigated; and (c) the manner in which live-stock products graded in accordance with the Act should be sold and what should be the size and kind of packages and how they should be branded, marked and labelled.

The different laws relating to Fruit, Honey and Vegetables were consolidated in one Act during the 1935 Session. Following a recommendation of the Price Spreads Commission a Section was added stipulating that all produce intended for canning in any establishment should be presented for grading and inspection as provided by the regulations.

The Dominion Franchise Act, 1934, was amended to provide that a judge might not rescind the final ruling of the Registrar of Electors, or add, retain or remove names from the list of electors unless certain specified evidence were adduced at the hearing. The Amendment arose from a decision of the Hon. Chief Justice Greenshields, Montreal, in refusing to strike 4,000 names from the lists of St. Lawrence-St. George on hearsay evidence.

The Dominion Elections Act was amended to provide that advance polls should be open between two and ten p.m. on the Thursday, Friday and Saturday immediately preceding election day. The change was made at the suggestion of the Trades and Labour Congress. Another Section waived the necessity of the chief electoral officer preparing voters' lists for the by-elections which would not be held until after Dissolution. A third provided a new form of oath—swearing the voter to be the person referred to in the list. A Section permitting experiment with the alternative vote in Saskatchewan was dropped.

The Meat and Canned Foods Act was amended to make it clear that the Government had the power to collect fees for the inspection of canned fish and shellfish.

The Copyright Amendment Act, 1931, was amended by a Bill which received the Royal Assent on Apr. 17. The new Section enacted that right of action to enforce any civil or summary remedy for infringement of the performing right was barred when fees had been paid; also that right of action was barred pending an inquiry by a Commission under The Inquiries Act.

An Act ratified the Supplementary Protocol to the Canada-France Trade Agreement of 1933. Another enactment ratified the Trade Agreement concluded with Poland on July 3, 1935, giving Canada access to the Polish market for the first time since the establishment of the Republic.

Other Bills receiving the Royal Assent in 1935 established an Exchange Fund and provided for the revaluation of gold; and amended The Income War Tax Act. In addition, there were the several Appropriation Acts. (See List of 1935 Acts).

Special House Committees of 1935

Four Special Committees were appointed during the 1935 Session of Parliament. One had under consideration the finances of Government-owned railways and shipping. Another, on Housing, was in connection with the Bill for the Construction of Houses—it studied schemes for the building of houses with governmental assistance. The other two Committees of the Session follow, under their respective heads.

The British North America Act Committee

This Committee was the outcome of a Resolution moved by Mr. J. S. Woodsworth (C.C.F., Winnipeg N.-C.) on Jan. 28 and adopted by the House to the effect "That in the opinion of this House a Special Committee should be set up to study and report on the best method by which the British North America Act may be amended so that while safeguarding the existing rights of racial and religious minorities and legitimate Provincial claims to autonomy, the Dominion Government may be given adequate power to deal effectively with urgent economic problems which are essentially national in scope". The Committee's Report, presented to the House on June 20, stated that telegrams had been sent to the Attorneys-General of the nine Provinces asking for submissions, but that the Provinces had declined. A number of interesting suggestions had been presented to the Committee for consideration. Dr. Kennedy, Professor of Law at the University of Toronto, suggested a Royal Commission to study the workings of the Act. Professor Rogers, Political Science Department, Queens University, suggested that a Dominion-Provincial Conference might appoint a Committee to draft an amended constitution to be approved by Parliament and the Legislatures. Dr. Arthur Beauchesne, C.M.G., K.C., Clerk of the House of Commons, suggested the drafting of a new constitution by a constituent assembly composed of delegates representing the various Provinces and the Dominion, made up of all classes of people, the newly drafted constitution to be thereafter adopted by the Dominion and the Provinces, and approved by the King;—the existing Act to be repealed. Dr. Ollivier, Joint Law Clerk of the House of Commons, and Dr. Scott, Professor of Civil Law at McGill University, also made suggestions.

The Committee recommended that a Dominion-Provincial Conference should be held at as early a date as possible to study the subject matter of the Resolution. In view of its recommendation the Committee refrained from suggesting any form of procedure for amendment except that it was definitely of the opinion that minority rights should not be interfered with. On Motion of the Prime Minister (Mr. Bennett) the Report was adopted.

The Grain Board Bill Committee

The Special Committee of the House appointed to study the Canadian Grain Board Bill met on June 18 and elected Mr. Bennett as Chairman.

It convened at intervals for two weeks to hear interested parties. At the opening session of the Committee the Liberal Members presented a Memorandum asking for particulars of guarantees given to the banks; particulars of instructions to the banks or to Mr. John I. McFarland, Manager of The Canadian Co-operative Wheat Producers Limited; the amount of wheat held and disposed of by the central agency on certain dates from 1931 to May 31, 1933; the average cost of wheat per bushel; and the total liability on those dates. Mr. Bennett declined to produce all of this information. He said that the Committee was not an investigation. Only such information would be given as would enable the Committee to pass upon the Bill for which purpose the Committee had been appointed.

At the session on June 20 the Winnipeg Grain Exchange presented figures to account for all of the 35,000,000 bushels short interest alleged by Mr. Bennett, except 161,000 bushels. Two witnesses, Roy Milner, President of the Winnipeg Grain Exchange, and Robert McKee, on behalf of the Vancouver Board of Trade, the Merchants Exchange, the Chamber of Shipping, the Grain Export Association, and the Vancouver Grain Exchange, opposed the Bill. Both believed that surplus stocks should be disposed of as rapidly as possible. On June 22 James Richardson, Winnipeg wheat exporter, protested vigorously against a compulsory wheat board. He contended that the Bill proposed the practical confiscation of grain elevators in which an enormous amount of private money was invested. He stated that Canada's wheat problem was greatly accentuated by the false marketing theories of the Wheat Pools which had been built up on the theory that producers of wheat could dictate their own prices to the consumer. He advocated selling the crop every year, a policy which would maintain markets and connections. R. S. Law, President of the United Grain Growers Limited, submitted a brief on behalf of that body against the compulsory features of the Bill.

Mr. Milner again was examined by Mr. Bennett on the question of a short interest of 25,000,000 to 35,000,000 bushels in excess of the wheat available to supply it. The Winnipeg Grain Exchange brief accounted for 34,839,000 bushels which, it was suggested, offset this shortage. Mr. Milner admitted that the Exchange figures included 5,423,000 bushels represented by flour in Canada and elsewhere, and also wheat on its way to or in British or foreign ports which would not be available to supply the shortage. Of the 34,839,000 bushels which the Exchange presented as accounting for the shortage Mr. Milner conceded only 8,761,000 bushels *en route* for country points could be made available to satisfy the options by July 31. This would leave some 26,000,000 bushels short. Mr. Milner protested that the Exchange statement was not intended to show that Mr. McFarland's options could be satisfied.

Several representatives of the Wheat Pools on June 25 endorsed the proposal to create a Grain Board which would take complete control of marketing the Western wheat crop and also protect the producer by a minimum price.

On June 27 Robert C. Findlay, Treasurer of the Canadian Co-operative Wheat Producers Limited, produced figures to show that on May 31, 1935, that organization, through the operations of Mr. McFarland, acting for the Dominion Government, had held 228,562,000 bushels of wheat at an average cost of 85.942 cents a bushel. Detailed information respecting Mr. McFarland's operations for the Government with a view to supporting the wheat market, was given by the witness. Including the wheat taken over from the Pools and that accumulated by market operations, Mr. McFarland held 148,396,000 bushels at an approximate price of 64.410

cents on Apr. 29, 1933. On June 30, 1933, this was down to 145,718,000, at an approximate price of 64.998 cents; Apr. 30, 1934, 184,218,000 bushels at 74.582 cents; June 30, 1934, 174,036,000 bushels at 75.838; Sept. 30, 1934, 205,499,000 bushels at 76.167; Apr. 30, 1935, 226,777,000 bushels at 85.062; and May 31, 1935, 228,562,000 bushels at 85.942.

George A. McIvor, Sales Manager of the Canadian Wheat Producers Limited told the Committee on June 28 that stabilization operations had increased wheat prices to farmers since 1930 by over $150,000,000. He estimated the increased price at 15 cents a bushel from 1930 to June, 1935. Canada, he stated, during that period had exported 1,076,000,000 bushels of wheat. In addition, he said, the price of wheat sold to domestic mills for flour also carried the higher price. The Bill (The Canadian Wheat Board Bill) as amended by the Committee was reported to the House on July 2, 1935.

Unemployment Camps: Strikers at Vancouver and Regina

Consideration of the Estimates for the Department of National Defence during the 1935 Session gave an opportunity for severe criticism of the Government relief camps for unemployed single men by Liberal, Labour and C.C.F. Members. On the other hand, these camps, established in each of the Provinces with the exception of Prince Edward Island, were declared to be satisfactorily fulfilling their purpose by several Conservative Members who had visited them. The Minister, the Hon. Grote Stirling, repeatedly explained that the Dominion Government came into the relief picture for the purpose of assisting the Provinces to handle a certain load which they had to carry; that the Department of National Defence had been given the task of carrying out the work because it was divided into certain districts; that in each district there was a certain organization, including engineer, store and supply services; that it had not been necessary to set up a whole piece of new machinery throughout Canada to carry out this extensive work.

During the discussion which lasted for several days Mr. Stirling produced, on Mar. 29, a copy of certain propaganda which had been circulated through the relief camps by "subversive organizations whose one object is the destruction of law and order in this country, and who see, in the breaking up of the camps and the return of the men to conditions of misery in the larger centres of population, a means through which their destructive purpose may be achieved." Having read extracts from this document he added: "There is evidence in the Department of a wide-spread and well-organized plot that, on a given date in the near future, these subversive organizations will attempt the destruction of the camps throughout Canada. Needless to say the necessary steps to safeguard against any such contingency have been taken." Meantime the items under discussion were agreed to.

Two months later, on May 21, a strike of workers in British Columbia camps was brought to the attention of the House by Mr. Angus MacInnis (Ind. Lab., Vancouver S.) who read a message from the Mayor of Vancouver to the effect that a condition existed in that City which justified the intervention of the Dominion Government. Mr. Bennett (Prime Minister), in explaining to the House the situation, declared that so far no trouble of importance had occurred at any of the Provincial camps except at those in British Columbia; that great difficulties had been experienced there in connection with logging operations through the activities of agitating Communists, according to the Prime Minister and the Attorney-General of British Columbia. Mr. Bennett stated that when

the Dominion Government had heard in April (1935) that a strike was imminent in the camps of British Columbia they had immediately informed the authorities of that Province, as under the Canadian constitution the Dominion Government "can not take steps toward the preservation of law and order or the administration of criminal law in any Province of this Confederation except at the request of the Provincial authorities." Owing to the agitation that had taken place at the camps, Mr. Bennett said, large numbers of the men had left and gone to the City of Vancouver, claiming that the Province should supply them with sustenance. In the meantime, Mr. Bennett, continued, for reasons best known to themselves, the Provincial authorities "have intimated that a duty was cast upon the Federal Government to expand the currency by a species of inflation and provide work and wages in that manner for those who had left the camps and gone to the City. Ever since the first intimation of dissatisfaction the Federal Government have been prepared to discuss with the Provincial Government the situation in all its details. But I do assert and I believe I represent the considered opinion of every thoughtful man in this Dominion, that as long as incentives are being given to men to maintain a chaotic and anarchic condition in the City of Vancouver or elsewhere in the Province of British Columbia, there can be no adjustment of differences or difficulties. The differences and difficulties, whatever these may be, the Federal Government will be glad to consider with the Provincial Government, but it is a condition precedent to any such action that law and order be maintained by those who are responsible for it, and if they are unable to do so that they call upon the Federal Government for such assistance as will enable them to do so. There can be no trifling with anarchy; there can be no playing with chaos; and, so far as this Government are concerned, they propose within the ambit of their power to be always ready and willing to assist those who are charged with that responsibility if they find themselves unable to do so. But mob violence, mob threats, mob law will not be the means by which to deal with matters of this kind between the Province of British Columbia and the Dominion of Canada."

The subject was discussed in the House several times. On June 13 Mr. Guthrie, Minister of Justice, in reply to a Question, read a statement in which he said: "From information which has come to the Government, they are satisfied that the present easterly march of so-called camp strikers from British Columbia, which has now reached Regina, has been organized and is under the direction of certain Communist elements throughout Canada and is a deliberate attempt to disturb the peace, order and good government of Canada by unlawful means." He added that the marchers, estimated at about 1,500 were trespassing on the railways and were jeopardizing the lives of travellers and the property of the Railways. Both the C.P.R. and the C.N.R. companies had requested the assistance of the Royal Canadian Mounted Police to clear their properties of these trespassers.

In reply to a Question by Mr. F. W. Turnbull (Cons., Regina), on June 24, the Prime Minister (Mr. Bennett) said: "On Saturday last (June 20) a Committee of the Government met eight representatives of the so-called marchers at Regina. The spokesman was one Arthur H. Evans. The other seven admitted that they were not born in Canada. Evans was the only Canadian-born of the eight. He himself has a criminal record. He was apprehended in 1922 at Drumheller for gambling and was dismissed. On Jan. 16, 1923, at Drumheller he was charged with forgery. His bail of $500 was estreated, the warrant having been issued at Calgary. On Jan. 16, 1924, he was tried at Calgary for fraudulent

conversion which, I may say, under the Criminal Code is theft, and he was sentenced to three years in Saskatchewan penitentiary as Arthur Evans, No. 1042. On Mar. 18, 1925, he was released on ticket of leave. On Sept. 15, 1933, at Vernon, B.C., he was sentenced to one year in the Provincial gaol. The delegation made certain demands upon the Government which I think beyond question it was realized were incapable of being granted by any Government in whole at least. It was apparent from what Mr. Evans said that he represented what he called the Unity League and various other organizations the purpose of which was to destroy constituted authority."

Mr. Bennett added that the camps to which reference had been made had won the warm support and approval of those who had inspected them. "I, myself, visited two of these camps unannounced and I venture to say, as I said to the delegation on Saturday, that many, many Canadians who to-day are living on farms and others living in cities and towns are not nearly so well provided for as those who are living in these camps. Listening to the appeals made to them, the men left the camps." Mr. Bennett went on to say that the numbers at Regina (the strikers had marched to this City) would have to be dealt with; that the Government would establish under the auspices of Mr. Burgess, who represents the Department of Labour, a temporary camp near Regina where the strike marchers might go if they so desired; that under the arrangement made by the Minister of Railways and Canals (Mr. Manion) and the Minister of Agriculture (Mr. Weir) with a Committee of the strike leaders at Regina the previous week, the marchers would continue to be fed until Wednesday, June 26, and after that the marchers would be permitted to go into the temporary camp where food and shelter would be afforded. "I desire to make it known in the clearest terms," said Mr. Bennett, "that this movement in Canada is neither national nor continental, it is international. I regret to make that statement. I should like to quote a cable which I received from Paris as follows: 'We sharply protest police terror against striking seamen dockers in Vancouver. Demand withdrawal police from strike area and assurance of right to strike. (Signed) International of Seamen and Harbour-workers.' I was somewhat surprised to receive that cable from Paris but in view of what has happened in other parts of this continent I do not know that I should have been surprised. I desire to inform this House and, I hope, the country that the Government are fully seized of the seriousness of the situation. They believe as firmly as it is possible to believe that the present movement of these marchers upon Ottawa in defiance of the law is in reality an organized effort on the part of the various Communist organizations throughout Canada to effect the overthrow of constituted authority in defiance of the laws of the land. The Government are determined to maintain law and order by all the means within their power and call upon all law-abiding citizens to assist to that end." (Debates of the House of Commons, 1935).

The meeting in Ottawa with the delegation from the strikers on June 22, to which Mr. Bennett had referred, was reported at some length by the Canadian Press. It stated that Arthur Evans, the leader of the delegation, had repeatedly called Mr. Bennett a liar, and that the hearing broke up in some disorder with Evans declaring that the Government would have to take the responsibility for whatever might eventuate and accusing Mr. Bennett of raising the "Red bogey."

On July 2, Mr. J. S. Woodsworth (C.C.F., Winnipeg N.-C.) said in the House that a considerable number of young men had been interned for

nearly four years and that if they would not go into the camp they were on the streets, either to starve or become criminals. He warned the Government that if they (the Government) continued to maintain their attitude of the past few weeks there would be great danger of future clashes.

Mr. Mackenzie King read two telegrams which he had received from the Hon. J. G. Gardiner, Prime Minister of Saskatchewan, and the Hon. T. C. Davis, Attorney-General of Saskatchewan, both of which indicated that as between the authorities at Ottawa and those at Regina there was a distinct difference of view as to who was to exercise or who was to be permitted to exercise full responsibility for dealing with the situation. He said that a question which might give rise to conditions even more serious than that of the manner in which the particular strike marchers had been dealt with was disclosed in the apparent conflict between the Dominion of Canada and the Province of Saskatchewan as to their respective jurisdictions in the matter of maintaining law and order.

Mr. Bennett discussed a disturbance of the previous evening at Regina —a clash between the police and relief campers. He expressed regret at what had taken place. "One cannot read it," he said "without realizing that one who had sworn to protect the life and property of that City by which he was employed has lost his life and lost it at the hands of other than the police. Two of the mounted police are lying at death's door, as a result of attacks upon them last night in the City of Regina. I desire this House and the country to understand that not a mounted policeman last night had a bullet in his holster, not one. The instructions were definite, having regard to what has transpired in various parts of the world in recent years, and they were obeyed. There were no cartridges in the hands of any member of the mounted police last night. Yet this afternoon there are mounted policemen lying in the hospital shot with bullets. The Minister of Justice reminds me that the question whether they were shot with bullets has not been determined. Well, there were men injured who were shot, I will put it that way. He says that it may be that these two men were not injured with bullets but there were men injured with bullets. Those are the naked facts. Was the assembly last night an unlawful assembly? What did the leaders say who travelled west from here? What did Evans say? What did he say at Sudbury as reported in the public press? He said that blood would flow in the streets of Regina."

Mr. H. H. Stevens (Cons., East Kootenay), thought it strange that Mr. King had closed his remarks with the statement that perhaps the subject of gravest concern was whether or not the Federal Government had invaded the rights of the Province. Of immediate concern was that the Government should discharge their duty which they had done. He was more concerned to know what lay behind it all. Was there anything that Parliament could do to remove the causes of these disturbances and riots? Mr. Stevens went on to say that he had visited several camps. He found that the young men were doing splendid work and that there were no complaints. The young men went to Vancouver and were led astray by Communist agitators or other evil disposed persons. He thought that the House of Commons ought to be extremely lenient in its judgment of the boys. Would it not be infinitely better if they sent a messenger to these young men offering them some hope for the future, some hope of getting employment and earning a living? The discussion was continued for some time after which the House went into Committee of Supply.

Other Incidents of the 1935 Session

On Jan. 22 the Rt. Hon. Arthur Meighen referred in the Senate to the Report of the Royal Commission of Inquiry into the purchase of Ontario Power Service bonds. He stated that if any Member of the Senate "feels that upon that Report my honour is even in the most oblique or remote way concerned, I invite him to move here for a Committee to investigate the allegations made against me. I shall gladly appear before that Committee."

The question of the proper title for the Leader of the Government arose during the 1935 Session when the Bill to establish an Economic Council was returned from the Senate with an Amendment changing the term "Prime Minister" to that of "First Minister". To requests for an explanation of the change, Sir George Perley stated that the latter title was the older one; that not until some years previously had the words "Prime Minister" appeared in legislation: "I know that in England there was an Executors Estate Act of 1917 in which reference was made to the 'Prime Minister', as there was also in an Act of this Parliament incorporating the National Committee for the celebration of the Diamond Jubilee of Confederation in which the Right Honourable W. L. Mackenzie King was referred to as the 'Prime Minister'." When the subject came up again in connection with the Bill to establish a Dominion Trade and Industry Commission, the Prime Minister (Mr. Bennett) observed: "Since the Prime Minister of Great Britain was given the status of third private citizen of the country, by Act of the King, the words 'Prime Minister' have come into use and in the greatest of all our Bills, namely, the Supply Bills, you will see the words used."

In reporting the Minimum Wage Bill, the Hon. F. B. Black, Chairman of the Senate Committee on Banking and Commerce remarked: "Those who refer to this Bill will not recognize it at all as the Committee had to re-write it." The Senate rejected completely the Bill to amend the Industrial Disputes Act, partly on the ground that the Amendment was unconstitutional but chiefly because it was unnecessary, the matter being already covered by the Act. Divorce was discussed at length in the Senate on a Bill introduced by the Hon. J. J. Hughes to prevent the marriage of divorced persons. He withdrew it in order to ascertain if provincial authorities had any objection to it.

Answering certain comments as to the number and character of Amendments made by the Senate during the 1935 Session, Mr. Meighen denied that they were emasculatory in character. "Of all the Amendments that we have made," he said "be they to what are called reform measures or others, not one has been emasculatory in any sense of the word. The most important of the fifty-one Amendments made by this House to the Unemployment Insurance Bill was the one including the banks and the financial institutions of Canada. That Amendment was of more consequence than any five others, though they also were strengthening Amendments. Our Amendment to Bill 21 (Hours of Labour) did not weaken, impair or abbreviate the Bill but extended it. It made it operative over a whole sweep of employees much earlier than did the provision in the Bill as it came from the Commons. But there are some who are determined to throw stones, and who prefer to be absolutely blindfolded before they essay the act. I venture to say that there are critics of that sort who could not for the life of them tell about a single Amendment of the hundreds made by the Senate this Session. This is an instance in point. It is illustrative of the work done."

During the Session the Senate lost five of its Members by death, the Hon. Messrs. H. S. Beland, P. L. Hatfield, John Lewis, P. F. Martin and F. L. Schaffner.

Mr. C. H. Dickie (Cons., Nanaimo) in the House on Jan. 23, moved, seconded by Mr. R. S. White (Cons., Mount Royal) "That, in the opinion of this House, a national flag representing the Dominion of Canada should be adopted; and that in any design for a Canadian flag the Union Jack must be conspicuous." An Amendment was moved by Mr. James Arthurs (Cons., Parry Sound) and seconded by Mr. W. S. Garland (Cons., Carleton) to include the words "which shall be the Union Jack, upon which for vessels and for extraterritorial places the word 'Canada' and/or such national emblems as this Parliament may approve may be placed, but such word and/or emblems shall not occupy more than one-eighth of the surface of the flag." The Hon. C. H. Cahan said that in the hope that he might be able later to make some definite constructive suggestion he would move the adjournment of the debate. It was seconded by the Hon. Hugh Guthrie and carried.

Mr. I. D. Cotnam (Cons., North Renfrew) moved in the House on Jan. 30 that the provisions of the Old Age Pensions Act should apply to blind people over 40 years of age. The matter was referred to the Committee on Industrial and International Relations. Later an emergency grant of $50,000 was made to the Canadian National Institute for the Blind.

Penal conditions in Canada were discussed in the House at great length on Apr. 4 on the vote of $2,830,947 for the requirements of the different penitentiaries. The Minister of Justice said that he would consider appointing the Royal Commission which had been urged for several years but pointed to many far-reaching reforms instituted by General Ormand. "Notwithstanding criticism in the press and in this House," said Mr. Guthrie "I am proud to say that Canadian penitentiaries stand as high or higher than those of any other country."

Prorogation of the 1935 Session

Prorogation had been set for the afternoon of July 5, 1935, but the ceremony was delayed by nearly four hours owing to the mass of legislation which the Commons had sent to the Senate for consideration during the closing days.

The Speech from the Throne by the Governor-General, the Earl of Bessborough, closing the Sixth Session of the Seventeenth Parliament expressed the belief that the new Economic Council would become an important factor for the correlation of information and scientific investigation; that the Amendments to the Natural Products Marketing Act, The Combines Investigation Act, The Companies Act, The Criminal Code and the establishment of a Dominion Trade and Industry Commission would ensure to investors security against fraud, to the producer and distributor the elimination of unfair practices, to the consumer higher standards of products and to the Dominion a condition of healthy competition in industry; that by the legislation respecting Minimum wages, Hours of Work and Weekly Rest the Parliament of Canada had made an important advance in the field of social legislation; that through the action of the Government in co-operation with the financial institutions, the country now enjoyed the most favourable interest rates in its history; and that the measure relating to Employment and Social Insurance would enable Canadian workers, with the assistance of the Government, to make provision for

their own security. Following a conference with the Provinces, the Speech continued, it had been decided to appoint a Royal Commission on national health problems. The measures to provide for public works and to assist in the construction of houses would stimulate the building trades and create employment. The action which had been taken to raise prices paid to wheat producers had given effect to the policy adopted at the Empire Economic Conference held at Ottawa in 1932 and the World Economic Conference held at London. In providing for the Canadian Wheat Board that policy would be continued. The provision for the revaluation of gold and an exchange stabilization fund would make possible a greater volume of international trade. Having referred to several other Acts and to the Trade Agreements with France, Poland, Haiti, and New Zealand His Excellency said: "My official connection with Canada is drawing to a close. My interest in the Dominion, however, will not terminate with my departure from its hospitable shores. I shall continue to watch its progress and development with deep and abiding interest and with the sincere hope and belief that under God's Providence it will ever increasingly prosper." From the floor of the Senate the Speaker of the Upper House read in French and the Speaker of the Commons read in English an Address to His Excellency adopted on July 4 by both Houses of Parliament. His Excellency, in reply, expressed his thanks and his regret that his term of office was drawing to a close. He went on to say that he had visited all the great cities and also many of the remoter country districts and learned much of the human background of the Canadian nation.

Appended is a list of Acts of the 1935 Session of Parliament (with the exception of the Divorce, Local and Private Acts) with their Chapter numbers.

Acts of the 1935 Session

CHAP.
1. Auditors, C.N.R.
2. Canada-France (Supplementary) Trade Agreement
3. C.N.R. Refunding
4. Elect. Inspect. Amendment
5. Fisheries Amendment
6. Interpretation Amendment
7. City of Ottawa Agreement
8. Pension Amendment
9. Precious Metals Amendment
10. Representation Amendment
11. Appropriation Act, No. 1
12. Appropriation Act, No. 2
13. Relief Measures
14. Weekly Day, Rest
15. Appropriation Act, No. 3
16. Can. Farm Loan Amendment
17. C.N.R. Finances, 1935
18. Copyright Amendment
19. Economic Council
20. Farmers' Cred. Arrang. Amendment
21. Gold Export Amendment
22. Income War Tax Amendment
23. Prairie Rehabilitation
24. Radio Broadcasting
25. R.C.M.P. Amendment
26. Salary Reduction
27. Appropriation Act, No. 4
28. Customs Tariff Amendment
29. Excise Amendment
30. Interpretation Amendment
31. Meat & Canned Foods Amendment
32. Patent Amendment
33. Special War Revenue Amendment

CHAP.
34. Public Works, etc.
35. Admiralty Amendment
36. Criminal Code Amendment
37. Dom. Franchise Amendment
38. Employ. and Soc. Insurance
39. Fair Wages, Hours of Labour
40. Income War Tax Amendment
41. Juvenile Delinquents Amendment
42. Live Stock Amendment
43. Sums for Public Service
44. Minimum Wages
45. Pension Act Amendment
46. Post Office Act Amendment
47. Bridge, Second Narrows, Burrard Inlet
48. Weights and Measures Amendment
49. Appropriation Act, No. 5
50. Appropriation Act, No. 6
51. Canada-Poland Trade Treaty
52. Fishermen's Loan
53. Canadian Wheat Board
54. Combines Investigation Act
55. Companies Act
56. Criminal Code
57. Dom. Elections Act, 1934
58. Housing
59. Dom. Trade & Indust. Commission
60. Exchange Fund
61. Farmers' Cred. Arrang. Act in B.C.
62. Fruit, Vegetables and Honey
63. 48-Hour Week
64. Nat. Prod. Mark. Amendment
65. Radio Broadcasting
66. Soldier Settlement Amendment

The 1935 Dominion General Election

The Dominion General Election campaign of 1935 began, actually, early in January with the series of radio broadcasts by the Prime Minister (Mr. Bennett), envisioning sweeping social and economic reforms, the promised measures being adopted by Parliament during the Session which opened later in that month. The Opposition Leader (Mr. Mackenzie King) had made no public reference to Mr. Bennett's addresses until Jan. 21 in the Debate on the Address-in-Reply to the Speech from the Throne. He then spoke at length, reading from *Hansard* of 1933 a statement which he had made in the House enunciating the policies of the Liberal Party; policies, he said, which would be the platform of the Liberal Party in the 1935 General Election. During the 1935 Session the policies of the two Leaders were discussed by Members of the Co-operative Commonwealth Federation and other groups who, in turn, added proposals of their own.

When nominations closed on Oct. 7 the electors of Canada were faced by the greatest number of aspirants to the House of Commons in its history—a total of 894. This compared with 644 in 1921, the previous highest total of nominations. A Canadian Press summary of nominations by Provinces and Parties for the 1935 Election follows:

Province	Seats	Cons.	Lib.	C.C.F.	Rec.	Soc. Credit	Other	Total
Prince Edward Island	(4)	4	4	0	3	0	0	11
Nova Scotia	(12)	11	12	0	11	0	1	35
New Brunswick	(10)	10	10	0	9	0	1	30
Quebec	(65)	63	64	3	43	0	42	215
Ontario	(82)	80	83	50	78	0	19	310
Manitoba	(17)	16	16	14	12	6	7	71
Saskatchewan	(21)	19	21	20	2	21	1	84
Alberta	(17)	14	17	15	3	18	3	70
British Columbia	(16)	15	15	16	13	2	5	66
Yukon	(1)	0	0	0	0	0	2	2
Total	(245)	232	242	118	174	47	81	894

Fifteen women were nominated, as compared to eight in the 1930 General Election. Six were for constituencies in Ontario; two each, in Saskatchewan and Alberta; and one each, in Manitoba, New Brunswick, Quebec, British Columbia and the Yukon. Politically their affiliations were: C.C.F., seven; Reconstruction, five; U.F.O.-Labour, one; Conservative, one; and Independent, one. There were no women candidates for Nova Scotia or Prince Edward Island constituencies.

In addition to the two historic Parties, Conservative and Liberal, and the several other political divisions already represented in the House of Commons, two new groups appeared on the Dominion scene in 1935. The Hon. H. H. Stevens, former Minister of Trade and Commerce in the Bennett Ministry, headed a "Reconstruction" Party. The Social Credit League which had recently won a victory in Alberta, placed candidates in each of the four Western Provinces. Another new Group, consisting of a number of business and professional men, advocated the formation of a National Government but placed no candidates in the field.

The re-nomination of Mr. King in Prince Albert drew attention to the fact that the chief Party Leaders at Ottawa, Messrs. Bennett, King, Stevens and Woodsworth, represented Western constituencies. None was Western-born but all, except Mr. King, had lived in the West for many years. In Prince Albert Mr. King was opposed by Messrs. Bedard (Social Credit), Graves (Conservative), and Johnston (Co-operative Commonwealth Federation). Mr. Bennett had four opponents in Calgary West, Messrs. Reid (Social Credit), Hyde (Liberal), Horrocks (Co-operative Common-

wealth Federation) and Galbraith (Reconstruction). Mr. Woodsworth in Winnipeg North-Centre also had four opponents, Messrs. Hermanson (Liberal), Pattinson (Conservative), Kilshaw (Reconstruction) and Huffman (Social Credit). In East Kootenay, Mr. Stevens had three opponents, Messrs. Bruce (Liberal), Iverson (Co-operative Commonwealth Federation) and Sjodin (Social Credit).

Broadcasts over the Canadian Radio Broadcasting Commission network by a "Mr. Sage" during the campaign were objected to by Mr. King and other Liberals. It was stated, later, that these "sketches" had been arranged for by a Toronto advertising agency which had been doing work for the Conservative Party and that the man who was heard in the rôle of "Mr. Sage" was Vaughan Glaser, an American actor, who had frequently appeared before Toronto and Montreal audiences.

The Conservative Campaign

On Sept. 6 the Prime Minister (Mr. Bennett) commenced his official campaign with a series of radio broadcasts in which he placed before the electorate the Government's record during their five years of administration. In particular, he stressed their recent action in putting through Parliament reform measures aimed at alleviating some of the hardships suffered by a great proportion of the people during the current period of depression. He spoke of the struggle of the Government to improve the standard of living for Canadian workers, first by tariff increases to stop dumping and then by the Empire Trade Treaties. He cited the trade dispute with Japan where wages were so low that her goods greatly undersold those produced in Canada. He claimed that the Government's efforts to increase trade with the United States had been unceasing, and stated that negotiations for a new trade treaty were well under way. He promised co-operation in reducing the National Debt by a fair and just voluntary conversion scheme with substantially lower interest rates and declared that, in future, there should be no tax-free bonds offered by the Dominion of Canada. He hoped, through legislation, to apply the principle of The Farmers' Creditors Arrangement Act to city dwellers. He promised to introduce in Parliament an Old Age Pension measure to retire workers over 60 years of age and thus provide openings for younger people and lessen the problem of unemployment. He pledged himself to seek from Parliament a sum of money for the training of young boys and girls to fit them for employment.

During his radio talks Mr. Bennett described his attitude toward the capitalistic system: he recognized the many inequalities, he said, in the national standard of living, some of which the Conservative reform measures aimed to correct, but he declared emphatically against any action that would destroy the system. He advocated corrective measures only. He expressed his belief in controlled inflation, in easier credit, in lower interest rates, and drew the attention of the electorate to the Government's action towards these ends.

The Prime Minister reviewed the pledges which he had given at Winnipeg on June 16, 1930, on behalf of the Conservative Party, and claimed that they had been fulfilled. Referring to the pledge that he would use tariffs to "blast a way" into markets closed to Canadians, he asked those whose future depended upon the capacity of the Government to obtain for them foreign markets to read carefully that statement of 1930. "By it I stand to-day," he said. "It was right then when there were still one or two nations practising free trade and it is a thousand times

more so now when every nation has adopted a doctrine of economic nationalism and protects itself by ever mounting tariffs."

The railway situation was dealt with by Mr. Bennett in his fourth and final broadcast which was sent from Toronto on Sept. 14. He said that it was a problem which could never be solved until a great general scheme was worked out covering all aspects of transportation. "This is a task, not for politicians, but for railwaymen, engineers, economists, business men. It is a task to which should be summoned representatives of all interests from all sections of the country. It is a task for which the Economic Council, in theory and in fact, is eminently suited. And the Economic Council will be charged with it."

Reviewing the policies of the various parties, Mr. Bennett stated that the claim of the Liberals that the Conservative Government had not increased export markets was contrary to official statistics. The Co-operative Commonwealth Federation, he said, advocated Socialism which meant common ownership of all assets and the expropriation of all private property. He admitted that the majority of the leaders of the C.C.F. movement, and nearly all its followers were true Canadians. It was only against the basic issue of Socialism that he protested. For the first time since the opening of the campaign, Mr. Bennett discussed the Reconstruction Party, headed by the Hon. H. H. Stevens, former Minister of Trade and Commerce. "All his political life," he said, "Mr. Stevens has endorsed the fundamental principles of Conservatism, even when Conservatism might fairly have been called reactionary. Now Mr. Stevens, in the last few months, has renounced the Conservative Party and, perforce, has felt compelled, therefore, to renounce also the policies and practices which he has fought for through all these years. . . . The means to be employed by Mr. Stevens have never been used successfully. Most of them could not be used successfully or unsuccessfully, for they are simply unworkable. In so far as the success of Mr. Stevens may mean the adoption of new, untried, demonstrably unsound practices, I feel it my duty to warn you to reject them. And in so far as success may mean a division in the forces bent upon progress I cannot but warn you that if that division occurs it might conceivably result in the return to power of Liberalism. That will be a grievous blow to Canada." (*The Mail and Empire,* Toronto, Sept. 16, 1935).

In conclusion, Mr. Bennett called attention to the Government's record as proof of the effectiveness of Conservative policy. He read a partial list of measures enacted by Parliament during the Conservative *régime*: The Bank of Canada Act, The Natural Products Marketing Act, The Canadian Farm Loan Act, The Farmers' Creditors Arrangement Act, The Employment and Social Insurance Act, The Minimum Wages Act, The Eight-Hour Day Act, The Weekly Day of Rest Act, The Economic Council Act, The Dominion Trade and Industry Act, Amendments to the Companies Act, which protected investors and abolished unfair practices, and The Canadian Wheat Board Act. He added that the reform programme would have been further advanced if it had not been for his own extended illness.

Mr. Bennett left Toronto on Sept. 14 for his Western tour which ended on the 28th at Winnipeg where an overflow meeting welcomed the Conservative Leader. After visits to Niagara Falls and Hamilton on the 30th he went to Quebec and the Maritime Provinces. He gave a brief address in French in Quebec City on Oct. 7 and two days later was in Toronto. Continuing his Ontario campaign he finished at Belleville on Oct. 12.

During his Western tour, at Regina on Sept. 16 Mr. Bennett asked the people of Canada to give him a two-fold mandate "to revise along the line of extension the Empire trade pacts which have saved the Dominion from national bankruptcy and to negotiate a trade treaty with the United States which would secure for Canada benefits at least equivalent to the concessions which the Dominion has offered to Washington." In Calgary, he addressed the Conservative Convention which unanimously selected him as candidate for Calgary West. Here he declared that during the five years of Conservative administration legislation had been placed on the Statute books of Canada unrivalled by that of any other British Parliament in the same length of time.

On Sept. 19, in another address at Calgary, the Prime Minister spoke of the wheat situation. He believed that with failing crops in Argentina and Australia and world conditions in general it was reasonable to expect that all available wheat would be needed. "In the face of the most vicious opposition and criticism from vested interests abroad, some members of the Winnipeg Grain Exchange, the *Winnipeg Free Press* and the Liberal Party in general," Mr. Bennett said, "we stuck to our policy and we see now some vindication of the confidence we had that we were doing right." (Canadian Press dispatch). At Victoria on Sept. 21 he stated that Section 98 of the Criminal Code, enacted to prevent illegal assembly, should remain on the Statute books.

On Oct. 9 at an enormous gathering in the Maple Leaf Gardens, Toronto, the Prime Minister made a very vigorous defence of the trade policies of the Government. Rigid economy in every branch of the public service, a balanced budget and a solution to the major problems of the country would be sought from a united Parliament, Mr. Bennett declared in a brief statement in which he pledged himself to make proposals in the new House of Commons as soon as it was convened. "Mr. King," the Prime Minister said near the close of his address, "has declared that he will not seek co-operation with other Parties in the House of Commons. As Prime Minister, as soon as Parliament is convened, I will say: 'Mr. Speaker, Canada is leading the van towards prosperity but much remains to be done which can only be accomplished by the real determination to effect the necessary changes in our domestic economy. We must first practise rigid economy in every branch of the public service. From this hour my only aim is that our united task may be to save Canada from threatened insolvency and return her to permanent prosperity and happiness. . . . I invite every Member of this House, without regard to Party or group, to join with me in placing country above Party and as Members of this new House of Commons, devote themselves to the task of placing Canada on a firm and solid foundation'." (*The Mail and Empire,* Toronto, Oct. 10, 1935).

The Liberal Campaign

The Rt. Hon. W. L. Mackenzie King opened the official Liberal campaign by a series of three radio broadcasts from Ottawa. In his first address on July 31, he dealt largely with the history of political parties in Canada. He declared that he was opposed to the movement in favour of a so-called National Government, which he believed to be another form of dictatorship demanded by certain persons enjoying privileges denied to others, to deal with the railways, the tariff and taxation in order to further their own special interests. In conclusion Mr. King said: "My purpose to-night has been to make it clear that, in the opinion of the Liberal Party, the first step toward permanent recovery or reform

in Canada must be the decisive repudiation by the Canadian electorate of the tendencies toward dictatorship manifested during the last five years and an equally decisive repudiation of measures, by whatever Party they may be advocated, which tend in the direction of Hitlerism, Fascism or Communism." (*The Globe,* Toronto, Aug. 1, 1935).

In his second radio broadcast, on Aug. 2, Mr. King read the statement of the policies of the Liberal Party which he had been authorized by Liberal Members of both Houses of Parliament to make in the House of Commons on Feb. 27, 1933, and which had been endorsed by Liberal organizations and afterwards published and widely distributed by the National Liberal Federation. Among the measures to which the Liberal Party was pledged were these: to deal with the unemployment situation through a representative national commission which would co-operate with the Provinces and municipalities in the administration of unemployment relief and in an endeavour to provide work for the unemployed; to provide employment by reviving industry and trade; to introduce a national system of unemployment insurance; to negotiate trade agreements with any countries willing to trade with Canada on a reciprocal basis; to continue the Liberal policy of British preference; to end artificial price control and agreements in restraint of trade; to further the development of agriculture and other natural resources; to establish a properly controlled national central bank; to establish an investment control board in order to prevent the exploitation of the public through the sale of watered stock and worthless securities; to maintain the integrity of the Canadian National Railways; to give to workers and consumers a larger share in the government of industry; to maintain the principle of the supremacy of Parliament over public expenditures; to repeal Section 98 of the Criminal Code; to ensure true Parliamentary representation of the Canadian people by reform of electoral laws; to balance the Budget; to reduce the cost of government by a careful inquiry into Federal, Provincial and Municipal costs; to further the work of the League of Nations; and to devote themselves to finding ways and means of effecting a fair and just distribution of wealth with increasing regard to human needs, to the furtherance of social justice and to the promotion of the common good.

Mr. King's third radio broadcast (Aug. 5) dealt with the unemployment problem. He repeated the first item in the statement of the Party's position which he had read in the second broadcast and explained the programme to which the proposed representative national commission would be asked to direct its attention. This programme included a great number and variety of public works, the preservation of natural beauty and of forest wealth and a comprehensive scheme of urban and rural improvements. In conclusion Mr. King referred to his own life-long interest in labour and social problems. At Woodstock on Aug. 13 the Liberal Leader started on a tour of Western Ontario, followed by a visit to the Maritime Provinces. Returning, he addressed a mass meeting in the market square of Quebec City, speaking for the first fifteen minutes in the French language. On Sept. 17 he left for Western Canada where he spent two weeks. He then resumed his Ontario campaign which he closed at Ottawa on Oct. 12. He was greatly assisted in his campaign by the Liberal Prime Ministers of the several Provinces who not only took an active part in the local campaigns but also addressed meetings in other Provinces. The Hon. Mitchell F. Hepburn, Prime Minister of Ontario, toured the whole Dominion in support of the Party cause. The Hon. Charles A. Dunning, former Prime Minister of Saskatchewan and

Minister of Finance in Mr. King's second Ministry, added his support with radio addresses from Toronto. The Hon. James G. Gardiner, Prime Minister of Saskatchewan, worked unceasingly for a Dominion Liberal victory.

Before leaving for his tour of Western Canada Mr. King delivered another radio broadcast from Ottawa on Sept. 17. In this he replied to Mr. Bennett's radio addresses and declared that the Liberal Party differed from others in the all-important respect that its programme was not the work of any one man but of the whole Party. He said that the Liberal Party believed that far-reaching and substantial reductions could be made in tariff rates but that a Liberal Government would not ignore the legitimate interests of Canadian producers. If returned to power they would; "immediately and materially reduce duties on those articles which enter into the cost of production of our primary industries; effect immediate substantial reduction in the duties on the necessaries of life and thus afford a direct measure of relief to every home and to every individual; abolish all unwarranted extra taxes on imports as imposed and administered by the present Government." Mr. King also reaffirmed the principal pledges of the Liberal Party as given in earlier addresses. (*The Globe,* Toronto, Sept. 18, 1935).

The Liberal Leader's great meeting in the Maple Leaf Gardens, Toronto, on Oct. 8, was the occasion of an incident which, up to that time, was, it is said, without parallel in the political history of Canada. By means of a nation-wide radio hook-up the voices of eight Provincial Liberal Prime Ministers were heard in support of Mr King. The Hon. Vincent Massey, former Canadian Minister at Washington, introduced each of these Prime Ministers as he came on the air in his own Province.

Speaking at Brockville on Oct. 10 Mr. King said that a good deal had been heard about a National Government and that none of the promoters of it could say who their leader or what their policies would be but that the Prime Minister had thrown light on the question. He quoted *The Mail and Empire's* report of the speech made by Mr. Bennett on Oct. 9 at the Maple Leaf Gardens, Toronto, and added; "There's your National Government. Mr. Bennett is the one who is to bring all these Parties together in the next Parliament. There is no longer any mystery about their policies; they are to be 'Canada First' policies; the same policies that Mr. Bennett sponsored five years ago. Economic nationalism. The humbug policies that Mr. Bennett took with him to England. All these different Parties are to be brought together under Mr. Bennett. It is a sad confession on the part of the Conservative Leader—a confession of despair and defeat on the part of Mr. Bennett when he tells the people of Canada, in the City of Toronto, that he has had to throw up the sponge so far as leading the once-proud Conservative Party is concerned, and is now out to put country before Party, to form a National Government out of the conglomeration of Reconstruction, Social Credit, C.C.F. and Tory groups which are appealing for your votes in this Election. Verily, politics makes strange bedfellows." (*The Globe,* Toronto, Oct. 11, 1935).

An unusual incident marked the close of Mr. King's campaign at Ottawa on Oct. 12. Addressing a very large meeting he produced a circular which had been distributed in Renfrew, Ont., and was signed by three manufacturers appealing for support of the Conservative candidate on the ground that Canadian plants might have to close if a new Government deprived them of tariff protection. The Liberal Leader declared that that kind of thing was a violation of the laws of Canada and quoted

the Statute to the effect that any person who threatened or intimidated electors was guilty of an indictable offence and liable to a fine of $2,000 and imprisonment for two years. Mr. King referred particularly to a speech reported to have been made in Renfrew on the previous day by Mr. M. J. O'Brien, Jr., one of the manufacturers who signed the handbill. Mr. O'Brien was quoted in *The Ottawa Journal* as saying definitely that his plant would have to close if Mackenzie King were elected. "I want to say to Mr. O'Brien and to employers generally" declared Mr. King "that if that threat is carried out I will get in touch with Premier Hepburn of Ontario and endeavour to make arrangements to take over Mr. O'Brien's plant and have it operated under Government auspices. Any employers who have threatened their employees may expect the fullest investigation if a Liberal Government is elected at Ottawa on Monday. We will run the plants to find out how much tariff protection is needed to safeguard the interests of the workers. It will be interesting to have the working men and women find out what percentage of the profits has gone into the pockets of the working people and how much has gone into the pockets of Mr. O'Brien." (*The Globe,* Toronto, Oct. 14, 1935).

The Reconstruction Party

The Hon. H. H. Stevens, former Minister of Trade and Commerce, whose investigations led to the appointment of the Royal Commission on Price Spreads and Mass Buying of which he had been Chairman for a few months, made a number of addresses on the subject at different centres as well as over the network of the Canadian Radio Broadcasting Commission under the auspices of the Federation of Youth. On July 12 Mr. Stevens announced from Ottawa that the new Party would be called "the Reconstruction Party" and he issued a Manifesto setting forth its views. He made a vigorous campaign from coast to coast in advocacy of this programme. The Reconstruction Manifesto declared that the youth of Canada should be given the opportunity to surmount the obstacles and overcome the handicaps forced upon them by the older generation and that it would be the duty of the Reconstruction Party, when called upon to form a Government, to open up avenues for all who were willing to work on the farm, in the mine, in the forest, and in other branches of industrial and commercial activities. It urged the following public works: completion of the Trans-Canada highway, construction of highways to national parks, making Canada's northland accessible to tourists, a country-wide reforestation programme, and the removal of all level crossings. Financial institutions would be invited to co-operate in the development of a national housing scheme by making funds available at much lower rates of interest. The Manifesto protested against the purchase and sale of labour as mere merchandise and demanded fair wages and reasonable hours for all workers. The Reconstruction Party, at the first Session of Parliament, would introduce a measure to create a Federal Trade and Industry Commission to deal with all matters affecting fair trade, unethical business practices, discriminatory discounts and unfair competition generally. To relieve the burden of debt it was proposed to reduce rates of interest on mortgages to five per cent. The Party was confident that development of latent natural resources would pay off the National Debt in twenty-five years. It was proposed particularly to develop the great "gold-shield" in Federal territory and to establish a fuel policy for the greater use of Canadian coal. It advocated a complete investigation of credit and monetary problems and the nationalization of the Bank of Canada. To ensure fair prices to farmers it advocated a democratic

scheme for the control and direction of the marketing of agricultural products. The new Party proposed so to administer Federal taxation that a single set of auditors or inspectors would suffice for all classes of taxation. It would be the Party's policy to secure reciprocal trade agreements with other countries. With regard to the railway problem the Party did not favour amalgamation under private ownership nor the sale of the Canadian National. But a plan, being drafted, would provide a rational and practical solution. It was recognized that, owing to developments in commercial and industrial methods, certain changes in The B.N.A. Act might be necessary but such changes should in every case be made only after ample and amicable conference with the Provinces. The Party would promote legislation to protect women and girls from exploitation by unscrupulous employers and to ensure that possible exploitation of the public through unwarranted profits should be vigorously restricted. Regarding the welfare of war veterans, a study would be made with a view to more fully implementing the pledges given while the World War was in progress and to provide adequate relief to the victims of economic vicissitude.

The Co-operative Commonwealth Federation

The Members of the C.C.F. had been active during the 1935 Session and, later, at intervals throughout the country in anticipation of the General Election. The National Council of the Federation had met in Ottawa on Feb. 9, with Mr. James S. Woodsworth (Winnipeg, N.-Centre) in the chair. It had issued a statement declaring that capitalism could be neither reformed nor restored and that the only permanent solution of Canada's problems was to replace capitalism by a new social order, the Co-operative Commonwealth. As a first step the Council proposed the socialization of all financial institutions, adequate minimum income for farmers, statutory reduction of farmer's debts, extension of markets, socialization of packing plants, a large scale programme of socially-used public works including housing financed by public credit, a national minimum wage for every family, protection of trade unions, national non-contributory social insurance, socialized health services and abolition of relief camps. It was added that to carry out these proposals would involve extensive socialization of industry and social planning.

On July 15, Mr. J. S. Woodsworth, Leader of the C.C.F., issued from Ottawa an Election Manifesto in which that Party appealed for support to farmers, industrial workers, technicians, professional men and women, mothers and the young. He again advocated a national system of social insurance, and declared that the worker must be protected by a national minimum wage and the farmer must be guaranteed an adequate minimum income; that if the control of the creation of credit and of the direction of its flow were in public hands it could be used to finance socially useful public works and services. He urged an amendment of the B.N.A. Act to give the Dominion Government adequate powers to deal effectively with economic problems. The Manifesto closed with the declaration that Canada must not be allowed to drift into another capitalist war and that Canadian neutrality must be rigorously maintained.

In Toronto, on Oct. 2, Mr. Woodsworth declared that the C.C.F. Party had no understanding or arrangement with any other Party, certainly not with the Communists. When the National Council met in Winnipeg after the General Election, on Nov. 30, it declared for independence of other political Parties and adherence to its own programme.

Other Parties

The Social Credit Party of Alberta, having won 56 out of 63 seats in the Provincial General Election on Aug. 22, 1935, had decided to enter Dominion politics. A feature of its platform which attracted much attention was the proposal to distribute purchasing power by means of a "basic dividend" to be paid monthly to adult residents of the Province. The sum of $25 a month was frequently associated with the proposal. Mr. William Aberhart, founder of the Social Credit League, who became Prime Minister of Alberta, explained the system briefly in an interview in the *Winnipeg Free Press* of Sept. 10, 1935. He said that the basic dividend would be given for the purpose of providing food, shelter and clothing. The Province would be debited each month with the total of all the $25 basic dividends. The Government would obtain the money to pay these basic dividends by an unearned increment levy upon the products of the natural resources of the Province. In the Dominion Election campaign Mr. Aberhart supported the Social Credit candidates by addresses broadcast from the Prophetic Bible Institute which he had founded.

A new group, the League for National Government, was formed at an organization dinner in Toronto on Mar. 14, 1935. It consisted largely of well-known business and professional men. Mr. Basil B. Campbell, the chief speaker at the dinner, declared: "Bankruptcy stares us in the face. The only hope of Canada is a National Government composed of men who will rise above Party politics and grapple in a business-like way with Canadian problems, divested of Party bids for power." (*The Gazette,* Montreal, Mar. 15, 1935). The League planned to mould public opinion, first in Ontario and then throughout Canada. But it seemed to have aroused some suspicions. Mr. King, the Liberal Leader, warned the electors against this group in his first radio broadcast on July 31. In a speech in Montreal, the following day, Mr. F. S. B. Heward, temporary Chairman of the Montreal branch, appealed to all parties to do for Canada what national governments had done for Great Britain, Australia and South Africa. He thought that Party Governments might find it expedient to avoid political suicide by inviting other groups to join with them for the purpose of achieving necessary results. The League put no candidates in the field.

The Communists nominated candidates in ten ridings but none of them was elected. Before his defeat in Winnipeg North Mr. Tim Buck, Secretary of the Communist Party of Canada, addressed large meetings in Winnipeg and Regina.

The Results of the Election of Oct. 14

The Election resulted in an overwhelming victory for the Liberal Party. They won a majority of 97 over all others combined. At the beginning of the Session in 1935 the Party standing in the House had been: 133 Conservative, or a majority of 21 over all others, 89 Liberal, 3 Liberal-Progressive, 1 Progressive, 10 United Farmer, 3 Labour, 1 Independent Labour, 2 Independent and 3 vacancies (*Canadian Parliamentary Guide, 1935*). The votes polled in the General Election, 1935, with the political affiliation of candidates as given in newspaper reports, were as follows: Liberal (including Ind.-Lib. and Lib.-Prog.), 2,076,394; Conservative (including Ind.-Conservative), 1,308,688; Reconstruction, 389,708; C.C.F., 386,484; Social Credit, 187,045; Communist, 31,151; Liberal-Progressive, 18,215; Independent, 15,765; Labour, 15,352; Other Parties, 16,448. Total votes polled, 4,445,250.

The Report of the Dominion Chief Electoral Officer, dated Mar. 31, 1936, gave the total vote as 4,452,675, including 45,821 rejected ballots. Those who voted were 75 per cent. of those on the list. In the General Election of 1930 the total vote was 3,922,481, not including two electoral districts in which the return was by acclamation, and 76 per cent. of those on the list voted. The Members elected by Provinces were as follows (*Parliamentary Guide, 1936*):

	Lib.	Ind.-Lib.	Lib.-Prog.	Cons.	Ind.-Cons.	Soc.-Cred.	C.C.F.	Ind.	Recons.	U.F.O.-Lab.	Total
Alberta	1	..	..	1	..	15	..	..	..	..	17
British Columbia	6	..	..	5	..	..	3	1	1	..	16
Manitoba	12	..	2	1	..	..	2	..	..	..	17
New Brunswick	9	..	..	1	..	..	..	..	..	..	10
Nova Scotia	12	..	..	..	..	..	..	..	..	..	12
Ontario	56	..	..	25	..	..	..	..	..	1	82
Prince Edward Island	4	..	..	..	..	..	..	..	..	..	4
Quebec	55	5	..	5	..	..	..	..	..	..	65
Saskatchewan	16	..	..	1	..	2	2	..	..	..	21
Yukon	..	..	..	..	1	..	..	..	..	..	1
Total	171	5	2	39	1	17	7	1	1	1	245

The Prime Minister (Mr. Bennett) was returned by a reduced majority but lost twelve of his eighteen Ministers: the Hon. W. G. Ernst, Minister of Fisheries; the Hon. D. M. Sutherland, Minister of Health; the Hon. R. B. Hanson, Minister of Trade and Commerce; the Hon. Samuel Gobeil, Postmaster-General; the Hon. R. J. Manion, Minister of Railways and Canals; the Hon. Maurice Dupré, Solicitor-General; the Hon. Wesley A. Gordon, Minister of Immigration, Mines and Labour; the Hon. Lucien Gendron, Minister of Marine; the Hon. G. R. Geary, Minister of Justice; the Hon. Onesime Gagnon, Minister without Portfolio; the Hon. Thomas G. Murphy, Minister of Interior; and the Hon. Robert Weir, Minister of Agriculture.

When the results were known Mr. Bennett stated that it was evident that the electors had desired a change of government; that the Liberal Party had been entrusted with the administration; and that he wished them well. He thanked the thousands who so loyally had supported the Conservative causes.

Mr. King issued a much longer statement in which, having thanked the electors and referred to the whole-hearted co-operation of the Liberal Prime Ministers and the Governments of eight of the nine Provinces, he declared that the result was a victory for democracy. "It is a direct response to the Liberal protest against all forms of dictatorship in Canada, whether they incline toward Fascism, Socialism or Sovietism, and equally against endless and dangerous experimentation in matters of government. It is a direct response to the appeal for the maintenance of British Parliamentary practice and procedure, and it proclaims the end of the superman idea." Concluding, he declared that the Election had been a demand for the restoration of responsible government in Canada and government, not by a single individual but by the collective wisdom of many minds.

Mr. Stevens was disappointed but not discouraged. He stated that the votes cast for the Reconstruction candidates were an evidence of "a very powerful body of opinion in Canada definitely favouring reform." Mr. Woodsworth said that the people of Canada were content to swing from Liberal to Conservative and from Conservative to Liberal. He

thought that the failure of the C.C.F. Party to elect a single Member in Ontario would indicate this.

It was said after the General Election that legislation during the Bennett *régime* from 1930 to 1935 had saved the country and wrecked the Party. The Empire Trade Agreements gave Canada the lead in the climb out of the world depression. The creation of a central bank made for sounder financial conditions. The social reform enactments were a real contribution to human progress, though several fell by the wayside. But these fundamental considerations had been of no avail. The Conservative Party for years had neglected organization. There were Party divisions and a lack of campaign funds. Every possible blunder seemed to have been made in the campaign. Mr. Bennett's three months' illness and his visit to London to the King's Jubilee celebration had given his opponents ample time to undermine his social reform platform. Just so in 1911, had Sir Wilfrid Laurier lost the Reciprocity Election by attending King George's Coronation, thus giving the Conservatives six months in which to fight the trade compact with Washington. Mr. Mackenzie King had made his most effective move late in the day when he persuaded Mr. Dunning, Minister of Finance in his Cabinet of 1930, to join in the Liberal campaign.

The King Ministry in 1935

On Oct. 23, 1935, nine days after winning his fourth Dominion General Election, Mr. Mackenzie King was summoned by the Administrator, the Rt. Hon. Sir Lyman P. Duff, Chief Justice of Canada, and entrusted with the formation of a new Cabinet. Earlier in the day Sir Lyman had accepted the resignation of Mr. Bennett and his Cabinet which had been tendered shortly after the defeat of the Government at the polls. With his faculty for surrounding himself with able colleagues, the Liberal Leader had selected as Ministers a strong group of sixteen. The reduction in number, as compared with Mr. Bennett's rearranged August Cabinet of twenty-one members, was partly explained by Mr. King's announcement of measures to be proposed during the First Session of the new Parliament which would provide for two Departmental mergers and for positions of Parliamentary Under-Secretaries after the British pattern—an innovation experimented with by Sir Robert Borden in 1916.

The new Cabinet, when completed—the Portfolio of Agriculture had been offered to the Hon. James G. Gardiner, Prime Minister of Saskatchewan, who had delayed his acceptance for a day or two in order to consult with his colleagues—was as follows:

Prime Minister, President of the Privy Council and Secretary of State for External Affairs	The Rt. Hon. W. L. Mackenzie King
Minister without Portfolio	The Hon. Raoul Dandurand
Minister of Justice	The Hon. Ernest Lapointe
Minister of Trade and Commerce	The Hon. W. D. Euler
Minister of Finance	The Hon. Charles A. Dunning
Minister of Railways and Canals and Minister of Marine	The Hon. Clarence D. Howe
Minister of Agriculture	The Hon. James G. Gardiner
Minister of Mines, Immigration and Colonization, Interior and Indian Affairs	The Hon. Thomas A. Crerar
Minister of Public Works	The Hon. P. J. A. Cardin
Postmaster-General	The Hon. J. C. Elliott
Secretary of State	The Hon. Fernand Rinfret
Minister of National Defence	The Hon. Ian Mackenzie
Minister of Pensions and National Health	The Hon. C. G. Power
Minister of National Revenue	The Hon. J. L. Ilsley
Minister of Fisheries	The Hon. J. E. Michaud
Minister of Labour	The Hon. Norman Rogers

The new Government lost no time in commencing to carry out their administrative programme. During the remaining sixty-nine days of 1935 they came to a number of decisions and made a series of announcements. A committee of the Cabinet was appointed to consider the position of the Canadian Wheat Board. The retirement of the members of that Board followed in due time; Messrs. James R. Murray, George McIvor and Alexander Malcolm Shaw were appointed in their place and stead. The Ministers referred eight of the social reform enactments of 1935 to the Supreme Court of Canada, whence they subsequently went to the Imperial Privy Council for final adjudication. The Hon. Clarence D. Howe inaugurated sweeping changes in the control of important Canadian harbours: the resignations of the local Commissioners controlling the Ports of Saint John, Halifax, Quebec, Chicoutimi, Three Rivers, Montreal and Vancouver were received and accepted, and a Federal Government Commission was set up to have jurisdiction over all these Harbours.

The Hon. G. Howard Ferguson promptly offered his resignation as Canadian High Commissioner in London to Mr. Mackenzie King who asked him to carry on for the time being, which he did until the Hon. Vincent Massey was gazetted in his place, the appointment dating from Nov. 8, 1935.

Appointments were made by Mr. Mackenzie King to the Senate in December: Mr. Frank P. O'Connor of Toronto on Dec. 5, to fill the vacancy occasioned by the death of the Hon. Charles Murphy; and on the 30th, Mr. Charles McDonald of Vancouver, who, in 1925, had resigned his seat of Prince Albert to make way for Mr. Mackenzie King.

The Hon. Charles Dunning made his debut as Minister of Finance by offering on Nov. 4, a Dominion Government loan of $75,000,000 in two issues, to yield approximately 2.15 and 3.08 per cent., respectively—the issues were more than doubly subscribed for before the books were opened. On Nov. 6, the Prime Minister proceeded to Washington to discuss the pending Canadian-United States Trade Treaty with the Roosevelt Administration. Returning to Ottawa, he consulted with his colleagues and signed the Treaty on Nov. 15, Mr. Hull, Secretary of State for the United States signing for the Republic.

The new Ministry cancelled three large projects of unemployment relief works which had been put forward by the Bennett Administration and authorized by Parliament at the Session of 1935. Mr. Mackenzie King and the Liberal Members had opposed these undertakings on the alleged ground that they would not provide any considerable amount of employment for idle men. These three projects were: (1) the Alexander pier, Montreal Harbour—$1,392,122; (2) the Toronto tunnel—$985,000; and (3) Government records storage buildings, Ottawa—$358,360. At the same time the new Government increased the Federal monthly grants to the Provinces for direct relief to the extent of 75 per cent., bringing the monthly total of expenditure in this regard to $3,065,687. Another important development of the year was the Conference at Ottawa on Dec. 9 between Dominion and Provincial Ministers.

The trade dispute which had been going on for six months between Canada and Japan was settled on Dec. 27 with the exchange of Notes between the Prime Minister and Mr. Sotomatsu Kato, Japanese Minister to Canada. The statement issued by the Government said that the Japanese Government would cancel, as from Jan. 1, 1936, the surtax of 50 per cent. *ad valorem* which had been levied, in addition to the ordinary duties, on wheat, flour, lumber, pulp wrapping paper and certain other

Canadian products from July 20, 1935. It further said that the Canadian Government would cancel, as from Jan. 1, 1936, the surtax of 33⅓ per cent. *ad valorem* which had been levied, in addition to the ordinary duty, on Japanese goods imported into Canada since Aug. 5, 1935. The Canadian Note further set forth the decision of the Canadian Government to modify the Customs regulations respecting (1) the interpretation of the phrase "goods of a class or kind made or produced in Canada", (2) the valuation of the yen for Customs purposes and (3) the procedure to be followed in any appeal against valuations established under Section 43 of The Customs Act.

The Hon. C. A. Dunning, Minister of Finance, received the unanimous nomination of the Liberal Association of Queens County, P.E.I. on Dec. 28. Mr. J. J. Larabee, who had been elected at the General Election on Oct. 14, resigned to accept a position in the Fisheries Department. As there was no opposition Mr. Dunning was declared elected. The Hon. J. G. Gardiner, who resigned as Prime Minister of Saskatchewan to accept the Portfolio of Agriculture, was nominated by the Liberals for Assiniboia. Mr. Robert McKenzie who had been a successful candidate in the General Election had resigned to become a member of the Canadian Farm Loan Board. Mr. Gardiner's opponent was Mr. William Irvine, U.F.A., who had been defeated in Wetaskiwin. In the By-Election which took place on Jan. 6, 1936 Mr. Gardiner was elected by a majority of 3,565.

The Dominion-Provincial Conference, 1935

The Prime Minister (Mr. Mackenzie King) opened the Dominion-Provincial Conference at Ottawa on Dec. 9. The open plenary meeting was followed by four days of arduous Committee work in private Sessions, the Conference ending with a closed plenary meeting at which the Reports of the various Committees were discussed. Each of the nine Provinces was represented at the Conference.

Six subjects were on the Agenda: (1) mining development and taxation, (2) unemployment and relief, (3) constitutional questions, (4) agriculture and marketing, (5) financial questions, and (6) transportation and tourists.

Summaries of the Reports of the various Committees follow (The Canadian Press dispatch):

Employment and Relief: (1) Agreed on a substantial increase in Dominion unemployment relief grants to the Provinces. (2) Agreed that a census should be taken of all unemployed through existing relief administration channels, the census to include registration and the punch card method recommended. Registration was to be in three categories: (a) unemployed persons, (b) unemployables, and (c) farm and other relief not due to industrial unemployment. Registration was to be maintained by monthly reports to the Federal authority. (3) Agreed on the establishment of a Dominion Commission on Employment to supervise and co-ordinate relief. (4) Agreed that the co-operation of industry should be sought in an effort to put more men at work.

Mining: (1) The Dominion would consider increasing depletion allowance from 33⅓ per cent. to 50 per cent. (2) Discarded as impracticable a uniform Provincial tax. (3) Discarded as impracticable the suggestion that the Dominion collect all mining taxes and distribute them among the Provinces. (4) Approved the principle of further duty reduction on mining equipment and machinery. (5) Agreed in favour of a special conference to draft a new uniform Companies Act, to be submitted to

Parliament and the various Legislatures, with provision that the public be amply protected in all new mining stock offers.

Finance: (1) Agreed as to the necessity of defining the taxation rights of the Provinces. (2) Agreed as to the necessity of reducing Government costs to the minimum. (3) Agreed that total expenditures should be brought in line with total incomes. (4) Agreed that the Dominion and Provinces should co-operate where same types of taxes were levied. (5) Did not reach conclusions regarding debt reduction, refunding bond obligations, formation of a Loan Council or a uniform system of tax collection. Agreed to formation of permanent committee to go into such matters and report later.

Constitutional Amendments: It was agreed Canada should have the power to amend its own Constitution; a continuing committee was to meet later to define a method of amending The British North America Act.

Company Laws: The Conference agreed there should be uniform company laws throughout Canada, and the Secretary of State was empowered to call a meeting of legal officers to prepare a new draft Act.

Agriculture: The Agricultural Committee recommended continuation of the Dominion's Farm Loan service and reduction of interest on farm loans to 4 per cent. It urged restoration of the Dominion's grant of $1,000,000 annually for agricultural education. All Ministers of Agriculture were to meet after the Supreme Court ruled on the constitutionality of The Natural Products Marketing Act to discuss marketing problems.

National Highways: The Dominion and Provinces would split 50-50 on Trans-Canada Highway costs, and on costs of specially designated feeder roads. It was recommended to the Dominion that dangerous railway crossings be eliminated.

Bus and Truck Transportation: Attempts were to be made by the Provinces to establish uniform highway transportation rates. The Provinces were urged to pass legislation compelling busses and trucks to carry insurance, and governing hours of labour and rates of pay for drivers; and providing that bus and truck licences should be granted only when it was shown that the service was necessary.

Tourists: The Dominion was urged to establish national parks in all Provinces lacking them. The Provinces were urged to build dust-free highways, and to take other steps to promote the tourist traffic.

The Resolution on constitutional Amendments was adopted on a vote of nine to one. The negative vote was cast by the Hon. J. B. McNair, Attorney-General of New Brunswick. In a statement made public at Fredericton on Dec. 16 he declared that the real purpose of the proposed constitutional Amendments was to "permit extension of the Dominion field of legislation at the expense of the Provincial Legislatures."

The Liberal Administration: Mr. King as Prime Minister during 1936

In the midst of the Government's preparation for the opening of the 1936 Session of Parliament came the sad communication of the King's death on Jan. 20. Less than an hour before the Prime Minister (Mr. Mackenzie King) had affixed his signature to the last document that he would sign jointly with His Majesty King George V. The Department of External Affairs immediately notified every diplomatic representative in Canada of the death of the King. Three proclamations were issued at Ottawa: one related to the succession of the Prince of Wales as King Edward VIII; the second, to the necessary authority for the carrying

on of the Government Services without interruption; and the third, to the observance of the Royal funeral as a day of mourning. Messages of sympathy were dispatched by the Prime Minister and the Governor-General to the Royal Family and arrangements were made for the usual formalities necessary upon the "demise of the Crown".

On Jan. 28 memorial services were held throughout Canada. In Ottawa the muffled strokes from the great bell on Parliament Hill signalled the beginning of the ceremonies in honour of the dead King. Chopin's "Funeral March" and "Abide With Me", King George's favourite hymn, were played by the Peace Tower carillon.

A note of sorrow prevailed at the opening of Parliament a week later; the usual State Dinner and the Drawing Room of Their Excellencies had been cancelled. Resolutions of sympathy and loyalty to the new Sovereign and of condolence to Her Majesty Queen Mary were adopted by both Houses, the Leaders giving short addresses voicing the sentiments of the Members and of the people of Canada. All official records of the Session bore the date of the first and only year of King Edward VIII's reign. Later, after the close of the Session, plans for a Coronation, which never took place, included the names of Canada's Prime Minister and the Canadian High Commissioner to London on a Commission appointed to assist in the arrangements.

Administrative duties claimed the attention of the Government upon the close of the Session on June 23, 1936. There was the new legislation to be set in operation; there were missions to Europe in aid of Canada's markets for which arrangements had to be made; and there were last-minute preparations for the Vimy Ridge ceremony of unveiling Canada's War Memorial, at which the Government would be represented by three of the Ministers: the Hon. Ernest Lapointe, Minister of Justice; the Hon. C. G. Power, Minister of Pensions and National Health; and the Hon. Ian Mackenzie, Minister of National Defence.

The two Departmental mergers, involving extensive reorganization of Government branches, were completed in a few months. The Hon. C. D. Howe, Minister of Transport, the new Department arising out of the union of the Department of Railways and Canals with the Department of Marine and with the Branch of Civil Aviation which had been part of the National Defence Department, had in hand the replacing of the Canadian National Railways Trustee Board with a Board of seven Directors; the changing of the Canadian Radio Broadcasting Commission to the Canadian Radio Broadcasting Corporation under the care of a General Manager and an Advisory Board. On Sept. 11 (1936) it was announced that Mr. S. J. Hungerford was to be Chairman of the C.N.R. Board and that his associates would be Mr. J. Y. Murdoch, K.C., of Noranda Mines; Mr. W. J. Gagnon of Montreal; Mr. Herbert Symington, K.C., of Montreal, and Mr. R. J. Moffatt of Bradwell, Sask. In addition to these, a Director was to be chosen by the C.N.R. employees to represent their interests. On the same day the personnel of the Radio Corporation was announced: Mr. L. W. Brockington of Winnipeg as Chairman and his associates, Mr. René Morin, Brig.-Gen. W. Odlum, Mr. J. W. Godfrey, Prof. A. Vachon, Mr. N. L. Nathanson, Col. W. Bovey, Mr. A. B. Plaunt and Mrs. Nellie McClung.

The other new Department, Mines and Resources, with the Hon. T. A. Crerar as Minister, included the former Department of Interior, Immigration, Colonization and Soldier Settlement and Indian Affairs.

The head of the Department of Agriculture, the Hon. James G. Gardiner, spent the Summer in England studying markets for Canadian farm

products. He also visited the continent, being present at the Vimy Ridge ceremony in July. Throughout the year Department officials under the able direction of the Minister concentrated on an extensive scheme to control the drought situation in the Prairie Provinces. In Europe at the same time as Mr. Gardiner were the Hon. Charles A. Dunning, Minister of Finance, and the Hon. W. D. Euler, Minister of Trade and Commerce, all three members of the Advisory Wheat Committee. Interesting reports of visits to the United Kingdom, Russia, Holland, Germany and Switzerland were given at a Cabinet meeting in September, when the Prime Minister announced that as a result of the trade negotiations with Russia, the Order-in-Council of February, 1931, which imposed an embargo against Soviet Russian products and severed trade relations between the two countries, had been cancelled; and that the Soviet Republic had likewise cancelled its embargo against Canadian goods entering that country.

The Hon. J. E. Michaud, Minister of Fisheries, spent part of the Summer of 1936 on the Pacific coast, studying the industry and conferring with fishermen. He explained in an announcement from Bathurst, N.B., on July 9, the plan of distribution with regard to the $300,000 appropriation for the establishment of a fund for needy fishermen, the fund to provide small loans. Three Provinces were to benefit—New Brunswick, Nova Scotia and British Columbia—each to receive $100,000 contingent upon the Provincial Government's making available a like sum. Another announcement made by the Minister was that the Dominion Government had completed arrangements with the Extension Department of St. Francis Xavier University whereby an educational programme emphasizing co-operative principles would be provided for fishermen along the eastern coast of New Brunswick and Nova Scotia.

In the distressing field of unemployment the Government were particularly active during the year. The new National Employment Commission, headed by Mr. Arthur Purvis, made a thorough study of the situation. Relief camps were closed on July 1, and with the co-operative efforts of the Commission, a registration plan of all classes of unemployed was inaugurated. At the same time it was announced that steps would be taken in co-operation with the Provinces whereby single unemployed transients would be put to work in primary industry during the Winter at wages as near as possible to the general prevailing rate. The Prime Minister (Mr. King) on the eve of leaving for Geneva in September, announced that the Government, in collaboration with the Commission, "will seek the co-operation of the Provinces and the Municipalities in a new nation-wide housing scheme. The proposed programme will be on a much broader basis than that contemplated in The Dominion Housing Act, 1935, and will serve to provide new or improved homes for those of limited resources and as well to create useful employment for a large number of people." The plan as explained by the Prime Minister was that the Dominion Government would guarantee lending institutions against loss up to 15 per cent. for loans to a maximum of $50,000,000 to home owners for repairs and improvements on dwellings. The intention was to extend the Housing Act in order that personal loans up to $2,000 might be advanced to home owners without endorsement, at a maximum of 5 per cent. interest for terms up to five years.

The Minister of Finance (Mr. Dunning) announced on Sept. 7 a new $100,000,000 issue of Dominion Bonds; this was put on the market on Sept. 10. The loan was in the form of 4½-year, one-per-cent. notes due Mar. 15, 1941, at 98.25 to yield 1.40 per cent. to maturity; and 3 per

cent. perpetual bonds callable after Sept. 15, 1966, priced at 96.50 to yield 3.11 per cent. Proceeds of the issue were to be used for refunding Dominion obligations amounting to approximately $74,000,000, and for general purposes of Government. In making his announcement, the Finance Minister issued the following statement:

"The issue of this type of bond marks a new step in our conversion programme and in carrying out the plans which we have in mind for consolidating and simplifying the National Debt structure. While new to our domestic market, obligations without stated maturity dates are well known in other markets, particularly in London. A fairly large number of railway issues, including obligations of the Canadian National Railway system, have been issued in London as perpetual obligations. As is well known, the British Government have also made extensive and successful use of perpetual securities in the form of so-called 'consols,' which have always been a popular and attractive form of security with the British investor.

"While the new bonds have no stated maturity, the right has been reserved to call the bonds at any time after thirty years. It is, moreover, the intention of the Government, as soon as the state of national finances will permit, to formulate plans for the setting up of a general sinking fund in order to provide for the gradual amortization of the National Debt on a scientific basis." In order that the small investor may be able to participate in what is expected to prove a popular and convenient issue with a broad market, provision had been made for denominations as low as $100.

In accordance with legislation adopted at the 1936 Session of Parliament, the Government, on Sept. 11, acquired 100,200 Class B shares of the Bank of Canada, and appointed six additional Directors to represent such holdings as follows: Mr. A. C. Picard of Quebec, Lieut.-Col. Claude Brown of London, Mr. J. Leroy Holman of Prince Edward Island, Mr. F. Magee of Port Elgin, N.B., Prof. Robert McQueen of Winnipeg, and Mr. G. G. Coote of Nanton, Alberta.

In the realm of Dominion-Provincial financing, the Dominion Government were faced with a rather hopeless situation. Their effort to introduce a scheme providing for a Loan Council as a financing basis had fallen through owing to the refusal to agree of the Prime Minister of Alberta (Mr. Aberhart) after his Provincial Treasurer had joined in a unanimous agreement with other Provinces on the plan.

The Department of National Defence made public, on July 16, a long list of Militia changes. Disbanding and amalgamations of many units were described as part of a plan to obtain better balance between the various arms in the non-permanent active Militia. In reply to a protest from the Board of Control of Toronto against a reduction in the number of Militia units in that city, the Minister of the Department, the Hon. Ian Mackenzie, declared that the main object of the proposed reorganization was to modernize the Dominion's defence forces in line with methods of warfare current throughout the world. During a speech at the Canadian National Exhibition on Aug. 29, Mr. Mackenzie pointed out that the appropriation for national defence approved at the 1936 Session of Parliament had been increased by $5,000,000, almost all of which was to be devoted to the air service. In Vancouver on Sept. 30, the Minister announced a three-year programme to improve and extend the defence system of the Pacific coast. A start had been made with the award of contracts to modernize the Royal Canadian Air Force station at Jericho at a cost of $375,000. A further statement by the Minister with regard

to the Pacific Coast was contained in a Canadian Press dispatch from Victoria on Nov. 10 to the effect that 158 acres of land on the north-west shore of Esquimalt Harbour had been expropriated by the Department of National Defence and that it would be used as a joint service magazine for the Naval and Air Forces; and that the Department had also expropriated Smart and McCarthy Islands in the Harbour. Speaking to the officers of the Fourth Field Brigade at Cobourg on Nov. 16, Mr. Mackenzie stated that the Government planned an industrial survey in order to ascertain what industries could be called upon in the case of need. The Prime Minister announced on Nov. 12 that Canada would purchase two modern destroyers to replace the *Champlain* and the *Vancouver* which had become obsolete; that the new ships, almost identical in size and equipment with the Canadian destroyers *Saguenay* and *Skeena* would be manned, as had been the discarded ones, by Canadian crews. Announcement was made also in November that the British Government had requested Canada to open recruiting offices for the Royal Air Force. Another statement of Mr. Mackenzie, and one which caused wide-spread comment, was his answer to an address in Toronto on Aug. 19 by Viscount Elibank, President of the British Central Chamber of Commerce. "In Canada", Viscount Elibank said, "comfortably situated as you are, you do not realize the danger of possible air attack upon your coastal ports in the same way as other countries have been forced to do. I feel that in the position in which Canada finds herself to-day, with her record in the last war, she will take steps to see that this is remedied." When this speech was drawn to the attention of Mr. Mackenzie, the latter had declared that "We are Canadians here and we don't want any peregrinating Imperialists to dictate our defence policies. . . . We in Canada can take care of our own policies, defence and others." The Minister's remarks caused much comment. In Winnipeg on Aug. 22 Viscount Elibank replied: "I merely pointed out that, owing to air development, Canada is as vulnerable as any other country in the British Empire and I do not propose to withdraw that statement."

Notwithstanding the able assistance of his colleagues, the year 1936 for Mr. Mackenzie King was one of heavy responsibilities. But it was a year fruitful of result for the Government. The Prime Minister, with his multitude of official duties connected with the Sessional programme and also with the death of the King, had little time for public addresses before the opening of Parliament. Several weeks later, however, he spoke at the Thirty-eighth Annual Meeting of the Victorian Order of Nurses, when he emphasized the requisite forces for the accomplishment of successful work by members of the Order. Again, at a great banquet in Ottawa, on May 29, organized by the Twentieth Century Liberal Association of Canada in connection with its Second Annual Convention, the Prime Minister, as guest of honour and chief speaker, declared that the sinister influences in Europe which sought to promote atheism and materialism and to undermine and destroy things formerly held sacred, should not be allowed to gain a foothold in Canada. Three weeks after the close of the Session, the Prime Minister laid the corner-stone of the new French Legation in Ottawa (July 14). During the same week he conferred with the Hon. Randolph Bruce, recently appointed Canadian Minister to Japan, and with Sir Herbert Marler, the former Minister in Tokyo, who had been transferred to the Legation at Washington. On July 31, he was in Quebec to join the Governor-General in the reception to President Roosevelt who, at the invitation of Lord Tweedsmuir, was paying a visit to that City.

Discussion had taken place on the last day of the Session (June 23) on the attendance of the Prime Minister at the September meeting of the League of Nations Assembly which might be called upon to revise the League Covenant. At the time, the Prime Minister had announced that Canada would be represented at the adjourned meeting of the Sixteenth Assembly on June 30, by the Hon. Philippe Roy, Canadian Minister to France, and the Hon. Vincent Massey, Canadian High Commissioner to London; and Dr. W. A. Riddell and Mr. Loring Christy to act in an advisory capacity. Three weeks after the close of the Session, Canada, in conformity with the League of Nations recommendations, lifted (July 15) economic sanctions against Italy. Canada's delegates to the Assembly had supported the Resolution. Three Orders-in-Council of 1935 imposing the trade barriers had been repealed at a meeting of the Canadian Cabinet a few days previously. The first Order-in-Council placed an embargo upon the exportation of munitions to Italy. The second prohibited the importation into Canada of Italian goods, the exportation of certain key commodities to Italy, and the extension of credit to Italy. The third revised the second in certain particulars, permitting admission of newspapers, periodicals, music, maps and hydrographic charts, and enabling the importation of goods, the price of which had been wholly paid to the Italian exporter on or before Oct. 19, 1935.

On the eve of leaving for Geneva in September, the Prime Minister made a statement to the Press as to the accomplishments of the Government since they had come into office. He enumerated in particular the trade agreements; explained certain projects the Government had underway; and announced the appointment of two Lieutenant-Governors: in Alberta, Lieut.-Col. Philip C. H. Primrose was succeeding the Hon. William L. Walsh; and in Saskatchewan, Mr. Archibald P. McNab, had accepted the office in succession to Lieut.-Col. H. E. Munroe. Questioned as to what Canada's attitude would be at Geneva, Mr. King referred to his address on June 18 during the 1936 Session when the House was in Committee of Supply. Continuing, he stated that there would have to be an overwhelming preponderance of power, economic and military, in the League as against any possible aggressor or combination of aggressors before a breach of the peace by any aggressor could be prevented. Even economic pressure, he said, if it were to be strangling enough to be effective against a strong nation, must be backed by a definite readiness, in the last resort, to have recourse to armed force, and that condition, he contended, did not exist. He admitted that it was conceivable that occasions might arise when military action might become advisable or essential, "but so far as Canada is concerned, that would be for the Parliament of Canada to decide in the light of all the circumstances at the time. We must not despair of the League", the Prime Minister said. "The League has failed, but the League is not a failure. Christianity has failed time and again, but Christianity is not a failure. . . . In spite of all discouragements, in spite of the failure of premature efforts, the ideal of world peace is not only sound, it is the essential condition of the survival of civilization and human life itself. So far as Canada is concerned, there is no danger to our national unity and our economic recovery so serious as participation in a prolonged war. We must continue to work earnestly toward the ideal of world peace. To that end we must utilize constructively the League of Nations—that indispensable agency which the conscience of mankind fashioned on the morrow of the greatest international disaster of all time, and bequeathed to our own and future generations."

The Prime Minister refused to discuss Canada's attitude further. "The British Government," he pointed out, "has made no statement about the British position toward the League at the present time, and in that particular I am following what I think is a very wise action on their part. The only point I would like to emphasize is that Canada desires to be friendly with all nations. The action that the Dominion Cabinet has taken to-day in removing the embargo against the importation of the products of Soviet Russia is proof of that."

The Prime Minister's reference to his address on June 18 had taken place during the discussion of the Estimates for the Department of External Affairs. It was in answer to the contention that the Government had not made clear their policy on the important problems, immediate and future, which had been raised by the outbreak and progress of the Italo-Ethiopian conflict. "It is true," he said (June 18), "that the Government have declined to make a statement at some critical stages when a statement would be premature and would complicate rather than advance a solution. I believe that the course of events in Europe has more than justified the Government's attitude. It is undoubtedly essential that in Parliament and outside of it there should be full and responsible discussion of the vital questions of Canada's relations to other States. There has not been sufficient discussion in the past. That has been due to our slow emergence from the colonial attitude of mind; our relative immunity from any serious danger of war on our own account. . . . The situation is changing. Informed and serious consideration of Canada's external relations is being given by the Press and by organized groups of citizens throughout the country . . . ." So far as the general policy of the Government in the Italo-Ethiopian conflict was concerned, Mr. King explained that it had been made clear in a statement issued on Oct. 29, 1935, and which had set forth: first, the attitude that the Government proposed to take on the immediate question of the application of sanctions to Italy; and second, the line of approach to the wider questions of the aims and methods of the League of Nations. "As to the immediate question," he continued in his debate (June 18), "it was stated that while reserving consideration of the feasibility and desirability of making the League's central purpose the guarantee of the territorial *status quo* and the reliance upon force for the maintenance of peace—that in the present instance, when an earnest effort is being made with wide support to test the feasibility of preventing, or at least terminating war by the use of economic sanctions, and when there is no room for doubt as to where the responsibility rests for the outbreak of war, and having regard also to the position taken by Canada at the recent Assembly, the Canadian Government are prepared to co-operate fully in the endeavour. It was further added that steps would be taken to secure the effective application of the economic sanctions proposed by the Co-ordination Committee, and that the Canadian Government did not recognize any commitment binding Canada to apply military sanctions and that no such commitment could be made without the prior approval of the Canadian Parliament." The Prime Minister then stated to the House that the Government's policy had been carried out by "the effective application of the economic sanctions recommended by the Co-ordination Committee."

Mr. King at Geneva; His Return

The Prime Minister, with the other official Canadian delegates to the Assembly of the League meeting on Sept. 23, sailed from Quebec on Sept. 13. Those besides Mr. King included the Hon. Raoul Dandurand, Govern-

ment Leader of the Senate, and the Hon. N. M. Rogers, Minister of Labour. As alternate delegates were Dr. O. D. Skelton, Under-Secretary for External Affairs and Dr. W. A. Riddell, Permanent Advisory Officer at Geneva. Col. G. P. Vanier, of the High Commissioner's staff in London joined the party as expert adviser. The question of the reform of the Covenant of the League of Nations had been placed on the agenda for the September meeting. The Governments of members of the League had been invited to send any proposals that they might wish in order to improve the principles of the Covenant.

In his formal address at the Plenary Session of the Assembly on Sept. 29 (1936), the Prime Minister of Canada stated that the Government of Canada shared the view that the world was passing through a critical stage. The means of solving the problems of Europe were, Canada believed, best known to the nations of Europe themselves. Canadians viewing conditions in Europe from their own country were struck, he said, by the violent nature of the propaganda and recriminations hurled incessantly across frontiers, the endeavours to draw all countries into one or the other of the extreme camps in the race for rearmament, the hurrying to and fro of diplomats, the ceaseless weaving and unravelling of understandings and alliances and the consequent fear of peoples.

There was a factor, Mr. King said, "which inevitably influences Canadian opinion on many League policies, particularly on the question of automatic obligations to the use of force in international disputes. I have in mind our experience as a member of the British Commonwealth of Nations. Nations of the British Commonwealth are held together by ties of friendship, by similar political institutions and by a common attachment to democratic ideals rather than by commitments to join together in war. . . . . .

"The Canadian Parliament reserves to itself the right to declare in the light of circumstances existing at the time to what extent, if at all, Canada will participate in conflicts wherein other members of the Commonwealth may be engaged. . . . The Canadian tradition is one of inherited and developed freedom. Repression of criticism is alien to that tradition. Our political institutions are grounded upon democratic principles and are subject to modification by democratic methods. We have profound faith that the way of freedom is also the path to peace.

"The freedom of maintaining our own form of government, which we demand for ourselves, requires as its corollary a policy of non-interference in the domestic arrangements of other nations. The doctrine of live and let live in respect to social philosophies and forms of government is, we believe, an indispensable condition of international comity and co-operation. . . . " Mr. King believed that the League served a world-wide need for affording a rallying point for the world's hopes of peace and a lasting, insistent reminder of the necessity of adjusting political institutions and ideas to new conditions in the world of industry and scientific progress. "Canada," he continued, "comes to the League of Nations to-day with the desire to reaffirm her adherence to the fundamental principles of the Covenant. The preservation of peace by the progressive organization of international co-operation within the collective system has been championed in equal measure by members of all political parties in Canada. . . . Holding that conviction ourselves, we do not assume that we have a mission to impose our beliefs and institutions on other states. We concur in the faith expressed by the soundness and indispensable value of democratic institutions and individual freedom.

but we concur also in the view that it is for each country, whether a member of the League or not, to decide for itself what form of government or economic organization is best suited to its own needs and conditions. . . .

"We believe the only way to strengthen the League's shaken authority is to take heed of that experience, to make the policies of the League conform to realities, to conditions and attitudes of mind that exist in the world of to-day, without losing sight of the possibility of modifying those policies as facts and national attitudes change in the future." The Canadian Government, Mr. King said, did not believe that formal amendment of the Covenant now was either possible or necessary. What League members would or would not do could be read more clearly from what they had done than from the text of the Covenant. Many provisions of the Covenant had not been observed. Pledges to reduce armaments had not been honoured. Provisions for the revision of treaties had not been applied. (The Canadian Press dispatch).

The Prime Minister, after leaving Geneva, discussed trade matters with members of the French Government in Paris. Later he spent some time in London where the extension of the trade agreements with the United Kingdom and arrangements for the Coronation of King Edward were considered. While in France Mr. King and other members of the Canadian delegation had visited the Vimy Ridge Memorial upon which the Prime Minister laid wreaths of Canadian maple leaves and poppies.

A few days after his return to Ottawa, the Prime Minister addressed a meeting of the League of Nations Society of Canada (Nov. 9) when he stated that a revision committee would soon meet in an attempt to agree on Amendments to the Covenant. He believed, he said, that Canada's greatest contribution to the peace of the world was to keep her own house in order and to maintain friendly relations with other nations. He issued a statement on the 27th in reference to the speech of Mr. Roosevelt at Rio de Janeiro in which the President pledged the United States against any invasion of the new world. Mr. King said that "the quotations brought to my attention by the Press are sufficient to indicate its striking and momentous character." He added: "I am sure that Canadians will heartily endorse the President's desire to maintain and establish on still more enduring foundations the peace that now obtains in the Americas."

Mr. King's Statement on the Abdication

The Canada Gazette in a special issue on Dec. 10 (1936) announced the abdication of King Edward VIII. The announcement contained the text of the instrument of abdication signed by His Majesty as it was received from London by His Excellency, the Governor-General, Lord Tweedsmuir. Mr. Mackenzie King, during the weeks preceding the abdication, had remained steadfast in his determination not to throw details of Canada's stand on the question into the arena of public discussion. He had held several discussions with the Governor-General and with the British High Commissioner to Canada. Because of the uncertain constitutional situation, he had cancelled an address he was to have delivered at the session of the National Liberal Federation opening in Ottawa on Dec. 10; but otherwise there had been no apparent interruption in the regular routine of governmental and political affairs. He had attended, during the week preceding the announcement in *The Canada Gazette,* a dinner at Government House given by Lord Tweedsmuir in honour of the

eight Provincial Prime Ministers who were at a financial conference in Ottawa. The Prime Minister issued, on Dec. 10, a statement in connection with the abdication of the King; it follows, in part:

"His Majesty King Edward VIII has this morning declared his irrevocable determination to renounce the Throne for himself and for his descendants, and has expressed his desire that effect should immediately be given to an instrument of abdication which His Majesty has signed.

"The Parliament of the United Kingdom to-day is dealing with the situation which has arisen as a result of His Majesty's decision to renounce the Throne. . . . It is of the deepest concern to his people throughout the whole British Commonwealth of Nations. Under the present constitutional relationship it is necessary that action be taken by the Government and Parliament of each member of the Commonwealth. This necessity flows from the Statute of Westminster which was enacted by the Parliament of the United Kingdom in 1931 and which, as its title declares, was passed 'to give effect to certain Resolutions passed by Imperial Conferences held in the years 1926 and 1930.' . . .

"The present situation is without precedent. Questions arise as to the procedure to carry out this provision of the Statute of Westminster which were not contemplated when it was drawn and enacted. The constitutional convention set forth in the preamble requires the assent 'as well of the Parliament of all the Dominions as of the Parliament of the United Kingdom' to any alterations in the law touching the succession to the Throne. The action involved in giving effect to His Majesty's instrument of abdication constitutes such an alteration. But the time element enters in. It is understood to be the desire of His Majesty as well as of His Majesty's Government in the United Kingdom that the required legislation be introduced at once. So far as Canada is concerned, Parliament has been called to meet Jan. 14. It could not be summoned in special Session before definite action had been taken by His Majesty, which would require the consideration of Parliament. If summoned now, it could not, under our geographical conditions, meet in time to take action prior to or simultaneous with that of the Parliament of the United Kingdom. Under these circumstances the Canadian Government are adopting a course designed in the first place to ensure that from a legal standpoint the abdication of His Majesty and the accession of his successor will take place in Canada at the same time as in the United Kingdom, and, in the second place, to preserve the constitutional convention referred to. To achieve the first end, action is being taken by the Government of Canada in accordance with the provisions of Section 4 of the Statute of Westminster. . . . Following upon the receipt this morning of the expression of the King's declaration and desire, an Order of his Excellency the Governor-General-in-Council was approved, embodying the necessary request and consent to the enactment of the appropriate legislation as regards Canada by the Parliament of the United Kingdom and the Government of the United Kingdom was advised accordingly. To achieve the second end, the Government will invite Parliament, immediately after the opening of the Session, to take appropriate action to give its assent to the alteration in the succession.

"It may be of interest to note that there are some differences in the position of the several Dominions in relation to the Statute of Westminster. Every Dominion in 1931 formally requested the enactment of the Statute. It was, however, provided that certain sections, including Section 4, should not extend to Australia or New Zealand unless and until adopted

by their respective Parliaments. That action has not been taken in either country. South Africa, on the other hand, passed the status of the Union Act in 1934, involving certain further limitations on the application of a United Kingdom Act to the Union. Some differences in the language of the United Kingdom Bill, as regards the several Dominions, are therefore necessary, and these differences may be seen in the preamble to the Bill.

"The Statute as a whole does apply to Canada, which is therefore guaranteed under Section 4 that no legislation of the United Kingdom Parliament can apply to Canada unless Canada has expressly requested such application in advance, and consented to its terms. Accordingly the Government of Canada, following upon receipt of the King's declaration and desire, has so requested and consented, and this request and consent will appear in the recitals of the United Kingdom Act. The same guarantee does not apply in exactly the same way to any other Dominion, and slightly different language will therefore be necessary in their case. The use of these words 'request and consent' does not, of course, refer to the initiation of any part of the proceedings other than the inclusion of Canada in the contemplated legislation. They embody the safeguarding words expressly provided in the Statute of Westminster.

"As regards the constitutional convention which requires the assent of the Canadian Parliament to any alteration in the law touching the succession to the Throne, it will be asserted and safeguarded to the greatest practicable extent consistent with all the circumstances of time and space and with the imperative practical necessities which confronted the Government on this unprecedented occasion."

The Prime Minister quoted the text of the instrument of abdication, which was the same as contained in London dispatches, and added: "I need only add that I am sure the statement of His Majesty as set forth in the instrument I have just read will be received with profound regret throughout Canada."

Canada and the Accession of King George VI

The next procedure at the seat of the Government of Canada took place on Dec. 12 (1936), when the Prime Minister (Mr. King) read to listeners throughout the Dominion the solemn proclamation of King Edward's abdication and the accession of King George VI.

Synchronizing the ceremonies with those in London, the Government, speaking for the people of Canada, acknowledged the new Sovereign and pledged "all faith and constant obedience with all hearty and humble affection, beseeching God by whom all kings and queens do reign, to bless the royal Prince George the VI with long and happy years to reign over us."

Earlier in the morning a Cabinet Council had adopted the two essential Orders-in-Council, one to proclaim the new Sovereign and the other to order and instruct all officers and functionaries of Canada, the judiciary and military, and all public servants to "severally continue in the due exercise of their respective duties, functions and professions, for which this our proclamation shall be sufficient warrant."

All public officers took renewed oaths of allegiance before a representative of the Governor-General. The first steps were taken in this task immediately after the proclamation when Lord Tweedsmuir, Sir Lyman P. Duff, Chief Justice of Canada, and Ernest Lemaire, Clerk of the Privy Council, took oaths at Rideau Hall.

Mr. Mackenzie King and members of his Cabinet swore allegiance before Mr. Lemaire and the same procedure followed through the Public Service as time permitted. It was a long drawn out task, taking months. The same procedure was followed in the Provinces.

Microphones were again set up in the Prime Minister's private office while he read the proclamation of George's accession. He was followed immediately by the Hon. E. Lapointe, Minister of Justice, in a French translation. These announcements followed immediately upon a broadcast from London of the similar proceedings taking place there.

Messages expressing loyalty and respect were sent His Majesty by the Prime Minister and Lord Tweedsmuir.

The National Liberal Federation of Canada, 1936

A General Meeting of the National Liberal Federation of Canada opened in Ottawa on Dec. 10, 1936. Delegates were present from each of the Provinces and also seven Provincial Prime Ministers and their colleagues. In a one-day Session, the Federation heard detailed reports of Provincial activities; amended its constitution; adopted a series of Resolutions; and held elections.

Mr. Norman P. Lambert, of Ottawa, who had been acting President since the resignation of the Hon. Vincent Massey, High Commissioner to London, was unanimously elected President. Mr. Lambert had been Executive Secretary of the Federation since its inception five years before. Also elected unanimously was the Secretary, Mr. Walter B. Herbert, of Winnipeg, who had been Director of Publicity for the Federation for a year. The Prime Minister, the Rt. Hon. W. L. Mackenzie King was re-elected Honorary President; and the Hon. Cairine Wilson, Ottawa, and the Hon. Ernest Lapointe, Quebec, Vice-Presidents. The Executive included: Col. Oscar Gilbert, Quebec; the Hon. A. C. Hardy, Brockville; Mr. Norman P. Lambert, Ottawa; Mr. E. G. Long, Toronto; Mr. Albert Matthews, Toronto; the Hon. Frank P. O'Connor, Toronto; the Hon. Donat Raymond, Montreal; the Hon. H. H. Horsey, Ottawa; Mrs. Sydney Tweed, Waterloo; and the Hon. Cairine Wilson, Ottawa. Provision was also made for the appointment of a French-speaking Secretary, Mr. Phileas Coté being appointed to that position. The meeting was to have wound up with a complimentary dinner to members of the Dominion Cabinet at which the Prime Minister (Mr. Mackenzie King) was to have been the speaker. Owing to the grave constitutional question at issue the dinner and the Prime Minister's speech were cancelled. Instead Mr. King and the other Federal Ministers met the delegates at a reception.

Among the Resolutions adopted was the following: "That the National Liberal Federation of Canada reaffirms its belief in the democratic and Parliamentary form of government and strongly opposes the introduction into Canada of Fascism, Communism or any other political doctrine inconsistent therewith."

The Dominion and Provinces, 1936

One of the major questions placed on the agenda of the Dominion-Provincial Conference in December, 1935, was the financial position of several of the Provinces. The credit of the four Western Provinces had been maintained during the previous few years only by the financial support of the Dominion. It had become evident that this process could not go on indefinitely. Initial discussions at the Conference led to the

appointment of a continuing committee on financial questions which held sessions in January and March, 1936. During these discussions agreement was reached on a general method of procedure. The Dominion undertook to initiate an Amendment to The British North America Act which would (1) validate certain taxes imposed by one or more of the Provinces and give the Provinces power to levy a tax on retail sales and (2) enable the Dominion to guarantee debts of a Province and enable a Province to give the Dominion adequate security by the pledge of Dominion subsidies.

On Jan. 14 the Hon. Ernest Lapointe, Minister of Justice, sent out a call for a conference of Dominion and Provincial representatives in Ottawa on Jan. 28, about a week before the opening of Parliament, to consider and draft a method of effecting changes in The British North America Act. It was emphasized that at such a conference only a method to make changes and not an actual revision of the Constitution would be dealt with.

During his Budget Speech on May 1, 1936, the Minister of Finance (Mr. Dunning) having explained the general proposal, added that if and when these enabling powers should be secured the Dominion would sponsor legislation providing for the setting up of (1) a National Finance Council and (2) individual (Provincial) Loan Councils; and that Dominion guarantee would be available to a Province only when the Loan Council's approval of the proposed issue of securities had been obtained. Mr. Dunning said that it was a matter of great regret that the Government of Alberta did not see their way clear to accept the conditions under which only Dominion assistance could have been made available. He added that the Dominion Government were prepared to modify the Loan Council arrangement originally suggested and that these modifications had been communicated to all the Provinces. Later in the Debate on the Budget, the Prime Minister, replying to a question by Mr. J. H. Blackmore (Social Credit, Lethbridge), said that unless The British North America Act were amended in the manner proposed it would not be possible for the Government to introduce legislation of the kind to which reference had been made (loan councils) but that whether the Government would introduce legislation in respect to loan councils or not would depend upon the course of events after receiving the authority asked for by the proposed Amendment. The Government's Resolution asking the consent of the Crown to submit to the British Parliament an Amendment to The British North America Act, introduced by the Hon. Ernest Lapointe, Minister of Justice, passed the House but was rejected by the Senate.

On June 25, 1936, the Minister of Finance issued a statement to the Press in which he said that in view of the action taken by the Senate it was impossible to proceed further with the Bill for constitutional amendment; that the meetings of the Committee on financial questions appointed by the Dominion-Provincial Conference in December, 1935, had been productive of much good; that it was proposed to set up a National Finance Council or Committee on a purely voluntary basis; and that the functions of this body would be to confer upon and investigate matters of mutual interest in the field of public finance and taxation. Mr. Dunning added a list of subjects which he thought would be appropriate for such a body and said that communications had been directed to the Provinces asking for their suggestions. Among the subjects suggested by Mr. Dunning were: methods of securing greater efficiency and economy in tax collection and of reducing the evils of multiple taxation,

merits and incidence of particular types of taxes, financial relations between the Dominion and the Provinces, problems involved in the raising of public funds by borrowing, methods of securing greater co-operation in financial policies, methods of public accounting with a view to greater uniformity and methods of collecting statistical information.

Dominion—Alberta Financing

True to his promise that he would continue to assist the Provinces pending enactment of the proposed loan council measure, the Minister of Finance (Mr. Dunning) came to the assistance of the Province of Alberta when a bond issue of $2,000,000 fell due on Jan. 15 which the Province was unable to meet. This was done notwithstanding the reiterated refusal of the Provincial Prime Minister (Mr. Aberhart) to join in the loan council plan although it had met with unanimous agreement in a committee of which his Provincial Treasurer was a member. Later in the year (March) further assistance, in connection with a $3,200,000 maturing obligation, was sought from the Dominion Government. With the request went the announcement by Mr. Aberhart of his intention of effecting compulsory conversion of part of Alberta's bonded indebtedness.

Mr. Dunning had read in the House on Apr. 1 the correspondence which had taken place between himself and the Alberta Government from Mar. 12 to Mar. 30 (1936) relating to the $3,200,000 debenture issue maturing that day. Included was the following telegram which Mr. Dunning sent to Mr. Aberhart on Mar. 30, 1936: "Your wire 27th has been considered by Government. You state that you cannot agree to accept Loan Council arrangement. Nevertheless you ask us to assist in meeting your Apr. 1 maturity and then you propose to go forward with programme outlined in your previous wire involving change in maturities of and reduction of interest upon large portion of your outstanding Debt. Not only would this involve unfair discrimination between holders of obligations maturing Apr. 1 and holders of other securities but it would cause all the injury to Provincial credit which we have been doing our utmost to avoid. Regret very much that your decision makes it impossible for the Dominion to assist you on Apr. 1. Nor can Dominion Government agree to ask Parliament for authority to give Dominion guarantee to your proposed partial refunding programme under conditions outlined in your wires."

On the same day Mr. Dunning had received from Mr. Aberhart the following telegram which apparently had crossed the one he had just read: "Further to our wire 27th, if you assist us as requested to meet maturity we would agree to reimburse you to full amount from natural resources settlement as and when agreed upon. On this basis we would owe the Dominion less than any Western Province. If you accept our proposal we are confident refunding plan can be carried out." To this telegram from Mr. Aberhart, Mr. Dunning had sent the following reply on Mar. 30: "Your wire 30th reached me in House after my wire giving Government's decision had been dispatched. Your suggestion that natural resources settlement amounting to five million dollars and interest should be offset against new loan was made to me in January by your Provincial Treasurer. I pointed out to him that as in the case of Saskatchewan the natural resources award would have to be offset against debts already owing by Provinces to Dominion amounting in Alberta's case to twenty-four million seven hundred and forty-nine thousand dollars." That completed the correspondence, Mr. Dunning stated. It told, he said, the story much better than he could by any statement.

Later, in an interview with the Press Mr. Dunning emphatically stated that his chief concern was to preserve intact the credit of the Dominion and that political considerations were entirely absent from the communications with the Aberhart Government. He added that the existing total of Western Provincial borrowings was about $114,000,000 and that ability to pay back rather than ability to borrow was the real test to be applied in future requests from the Provinces for aid in their financing. Mr. Dunning made it quite clear that the Dominion Government would continue to contribute its share to the relief of unemployment and farm relief in Alberta on the same basis as the contributions made to the other Provinces.

An Order-in-Council passed under the authority of the Unemployment Relief and Assistance Act, 1936, and dated June 4, 1936, renewing loans made to the Province of Alberta totalling $2,250,000 and accepting as security therefor treasury bills of the Province at four per cent. interest. was laid before the House on June 8 by the Minister of Finance.

The National Finance Committee

The first meeting of the National Finance Committee took place in Ottawa on Dec. 9, 1936, under the Chairmanship of the Minister of Finance. The meeting was attended by more than fifty Government Ministers and officials. Those present included every Provincial Prime Minister with the exception of Mr. Hepburn of Ontario. Dominion Ministers attending, in addition to Mr. Dunning, included the Minister of Revenue (Mr. Ilsley), the Minister of Labour (Mr. Rogers), the Minister of Defence (Mr. Mackenzie), the Minister of Fisheries (Mr. Michaud) and the Minister of Mines and Resources (Mr. Crerar). Mr. Graham Towers, Governor of the Bank of Canada, and the Deputy Governor, Mr. J. A. C. Osborne, attended in an advisory capacity.

The meeting was private. At the close of the first session an official Communique said that the Committee "continued its discussion of the services that could be rendered by the Bank of Canada to Provincial Governments, and of the possibilities of a greater degree of co-ordination in governmental borrowing in Canada." On Dec. 10 it was announced that agreement had been reached on the following proposals: 1. Removal of the "gold clause" from the contracts for redemption of government and other bond contracts. 2. Steps to establish a uniform method of presenting public accounts so statistical comparisons would be facilitated, and to standardize the fiscal year for Provinces and Dominion for the same purpose. 3. Co-ordination in the timing of public bond issues by interchange of information through the Bank of Canada.

The anticipated discussion of the burden of interest charges on governments was initiated. Taxation was also brought up with several of the Provinces urging that certain sources of revenue exclusive to the Dominion should be turned over in a measure to the Provinces. No conclusions were reached on this argument.

In connection with the discussion of the burden now weighing upon Provincial Governments as a result of unemployment relief and public debt charges, several Provinces asked the Dominion Government to appoint a Royal Commission to inquire into the broad question of the economic and financial basis of confederation.

In particular it was emphasized that the developments of the last 70 years, especially the increasing activities of Governments in the field of social welfare, make it necessary to review the allocation by the British

North America Act of sources of revenue and governmental responsibilities to Dominion and Provincial Governments. Further discussions on this question were to take place.

Representatives of the Province of Ontario raised the question of overlapping services of Government in the field of agriculture, health, labour, etc., and suggested the appointment of a Committee of officials to consider this question with a view to reducing the cost of government.

It was pointed out that in so far as agricultural services were concerned a Dominion-Provincial Conference was to meet in the course of a few days to consider this question, amongst other matters, and it was agreed that all Governments should press the Governmental Departments concerned to consider what steps as may be practicable to reduce any overlapping and unnecessary cost.

The administration of old age pensions legislation and possible amendments to the Act and regulations were considered. In this connection it was recommended that the benefits of old age pensions legislation should be extended to the blind at a lower age than 70 years.

The Agricultural Conference

A few days after the close of the Finance Committee sessions (Dec. 14), the Hon. James G. Gardiner, Dominion Minister of Agriculture, called together Provincial Ministers and officials in order to obtain their views on agricultural and marketing policies generally. The meeting endorsed plans of Mr. Gardiner which were based on a policy of shifting emphasis from control over the producer through limited production to an effort to reduce the cost of production and distribution and to increase demand by studying customers' requirements and seeking to meet them. Resolutions adopted at the meeting were:

1. That the Committee on marketing agricultural products, which was composed of the Dominion Minister of Agriculture and the Provincial Ministers of Agriculture, constituted at the Dominion-Provincial Conference of 1935, should be continued.

2. That an effort should be made by the Provincial and Dominion Governments to provide for rational grading of farm products, particularly when they entered inter-Provincial and international trade.

3. That an effort should be made by the Dominion and Provincial Governments to make possible investigations by Dominion Departmental officials to assure that Departmental regulations are carried out in processing plants and transportation and distributing organizations for the purpose of securing fair treatment to producers and consumers.

4. That an effort should be made by the Dominion and Provincial Governments to assist producers and consumers to minimize costs of distribution and marketing to the benefit of both producers and consumers.

In the proposed reorganization of the Dominion Department, Mr. Gardiner said, more efficient facilities for promoting markets for Canadian farm products at home and abroad would be created.

Judgments on 1935 Legislation

Eight of the "reform" measures which had received the approval of Parliament during the Bennett Administration were referred to the Supreme Court of Canada by Orders-in-Council dated Nov. 5 and Nov. 18, 1935, of the King Administration. The questions asked with respect to each of the Acts was whether the Act or any part of it was *ultra vires* of the Parliament of Canada. The References were heard from Jan. 15

to Feb. 4, 1936, and the judgments were delivered on June 17, 1936. The same counsel appeared at the argument of all the References, namely, Messrs. N. W. Rowell, K.C., Louis St. Laurent, K.C. and C. P. Plaxton, K.C. for the Attorney-General of Canada; A. W. Roebuck, K.C. (Attorney-General) and I. A. Humphries, K.C. for Ontario; Charles Lanctot, K.C. and Aimé Geoffrion, K.C. for the Attorney-General of Quebec; D. V. White for the Attorney-General of New Brunswick; G. McG. Sloan, K.C. (Attorney-General) and J. W. deB. Farris, K.C. for British Columbia; J. Allen, K.C. for the Attorney-General of Manitoba; W. S. Gray, K.C. for the Attorney-General of Alberta and S. Quigg for the Attorney-General of Saskatchewan. Appeals against the judgments of the Supreme Court on all of the eight Acts in question were made to the Lords of the Judicial Committee of the Privy Council. There were present at the hearings Lord Atkin, Lord Thankerton, Lord Macmillan, Lord Wright (Master of the Rolls) and Sir Sidney Rowlatt. The judgments were delivered by Lord Atkin on Jan. 28, 1937. For convenience the judgments are noted in this Volume. The following table and paragraphs show the judgments of both the Supreme Court and the Privy Council:

Reference	Supreme Court	Privy Council
Section 498A of the Criminal Code	Valid	Valid
Dominion Trade and Industry Commission Act	Partly valid	Valid
Employment and Social Insurance Act	Invalid	Invalid
Minimum Wage Act; 48-Hour Week Act; and One Day's-Rest-in-Seven Act	Tie Verdict	Invalid
Natural Products Marketing Act	Invalid	Invalid
Farmers' Creditors Arrangement Act	Valid	Valid

I. *Reference*—Section 498A of the Criminal Code. This Section in substance declared that everybody was guilty of an indictable offence and liable to punishment who (a) assisted in any sale which discriminated against competitors of the purchaser in discounts or allowances granted to the purchaser over discounts or allowances available to competitors (not applicable to co-operative societies); (b) engaged in a policy of selling goods in Canada at prices lower than those exacted elsewhere for the purpose of destroying competition; (c) engaged in a policy of selling goods at prices unreasonably low for the purpose of destroying competition. The Supreme Court was unanimously of opinion that as to Sub-Sections (b) and (c), they were not *ultra vires*. As to Sub-Section (a), in the opinion of Chief Justice Duff, Mr. Justice Rinfret, Mr. Justice Davis and Mr. Justice Kerwin it was not *ultra vires*; in the opinion of Mr. Justice Cannon and Mr. Justice Crocket, it (Sub-Section (a)) was *ultra vires*. The Attorney-General of British Columbia appealed to the Privy Council, the respondents being the Attorney-General of Canada and others. Their Lordships were in agreement with the majority of the Supreme Court, they were of the opinion that no part of the Section was *ultra vires* and they advised that the appeal be dismissed.

II. *Reference*—Dominion Trade and Industry Commission Act. In the unanimous opinion of the Supreme Court Section 14 of the Act was *ultra vires*. This Section approved of agreements regulating price and production where but for their existence demoralizing competition would exist. Sections 16 and 17 were, in the unanimous opinion of the Supreme Court, not *ultra vires*. These Sections gave additional powers to the National Research Council. Sections 18 and 19, in the unanimous opinion of the Supreme Court, were *ultra vires*. These sections provided that "Canada Standard" or initials "C.S." should be a national trade mark and that penalties should be imposed for unauthorized use of them. Section 20, in the unanimous opinion of the Supreme Court, was not *ultra*

vires in so far as the enactments enumerated in Section 2(h) might be *intra vires*. Section 20 provided for the investigation of unfair trade practices and Section 2(h) gave a list of 26 Acts and 22 Sections of the Criminal Code relating to them. Sections 21 and 22 (as applicable to such of the enactments or to the offences created by such of the enactments enumerated in Section 2 (h) as might be *intra vires*) were, in the unanimous opinion of the Supreme Court, not *ultra vires*. There was an appeal and cross-appeal to the Privy Council, the Attorney-General of Ontario, appellant *vs.* the Attorney-General of Canada and others, respondents, and the Attorney-General of Canada, appellant, *vs.* the Attorney-General of Ontario, respondent. Except as to the validity of Sections 18 and 19, their Lordships agreed with the judgment of the Supreme Court and the reasons were given by the Chief Justice with which the other learned judges concurred. As to the validity of Sections 18 and 19, which was the subject matter of the cross-appeal their Lordships found themselves in disagreement with the judgment of the Supreme Court. It was granted that the method adopted in Section 18 was to create a civil right of a novel character; that ordinarily, a trade mark gave rights only when used in connection with goods manufactured or sold by the person who had the right to use the mark; that a trade mark "in gross" would be an anomaly; that it obviously was not contemplated that the Crown should have any proprietary interest in the goods to which the mark vested in the Crown was to be applied; that, therefore, there seemed no reason why the legislative competence of the Dominion Parliament should not extend to the creation of juristic rights in novel fields, if they could be brought fairly within the class of subjects confided to Parliament by the constitution; and that the legislation appeared to be within the competence of the Dominion Parliament. No appeal was directed as to the answer to Section 14. Their Lordships advised that the appeal should be dismissed and the cross-appeal should be allowed and that the answers should be varied as to Sections 18 and 19 by stating that the Sections were not *ultra vires* and by adding that as to Sections 23 to 26 inclusive those sections were not *ultra vires*.

III. *Reference*—Employment and Social Insurance Act. Mr. Justice Rinfret, Mr. Justice Cannon, Mr. Justice Crocket and Mr. Justice Kerwin were of opinion that the Statute was *ultra vires*: the Chief Justice and Mr. Justice Davis were of opinion that the Statute was *intra vires*. The Attorney-General of Canada appealed to the Privy Council, the respondents being the Attorney-General of Ontario and others. Their Lordships remarked that the substance of the Act was contained in Part III setting up unemployment insurance; that it did not purport to deal with any special emergency; that it found itself in the preamble on general world-wide conditions referred to in the Treaty of Peace; that it was an Act whose operation was intended to be permanent; and that there was agreement between all the members of the Supreme Court that it could not be supported upon the suggested existence of any special emergency. Their Lordships found themselves unable to differ from this view. Dealing with the argument which found favour with the Chief Justice and Mr. Justice Davis, that the legislation could be supported under heads 1 and 3 of Section 91 of The B.N.A. Act, 1867, relating to the Public Debt and property and the raising of money by taxation, their Lordships pointed out that Dominion legislation, even though it dealt with Dominion property, might be so framed as to invade civil rights within the Province. In the existing case their Lordships agreed with the majority of the Supreme Court in holding that in pith and substance

the Act was an insurance Act affecting the civil rights of employers and employed in each Province and as such was invalid. Their Lordships declared that the other parts of the Act were so inextricably mixed up with the insurance provisions of Part III that it was impossible to sever them; that in its truncated form, apart from Part III the Act would never have come into existence; and that it followed that "the whole Act must be pronounced *ultra vires,* and in accordance with the view of the majority of the Supreme Court," their Lordships advised that the appeal should be dismissed.

IV. *Reference*—Weekly Rest, Minimum Wages and Limitation of Hours of Work Acts. These three Acts were grouped in the Reference to the Supreme Court. The Chief Justice, Mr. Justice Davis and Mr. Justice Kerwin were of the opinion that (except as to Section 6 of the Minimum Wages Act) the Statutes were *intra vires*; Mr. Justice Rinfret, Mr. Justice Cannon and Mr. Justice Crocket were of the opinion that the Statutes were *ultra vires.* Section 6 provided that the Governor-in-Council might fix minimum wages if trade was injuriously affected or workers were oppressed. There was an appeal to the Privy Council by the Attorney-General of Canada, the respondents being the Attorney-General of Ontario and others. The three Statutes in question were passed, as their titles recited, in accordance with Conventions adopted by the International Labour Organization of the League of Nations in accordance with the Labour Part of the Treaty of Versailles, June 28, 1919. Their Lordships found that no further legislative competence was obtained by the Dominion from its accession to international status and the consequent increase in the scope of its executive functions. But they added that it must not be thought Canada was incompetent to legislate in performance of treaty obligations; that in totality of legislative powers, Dominion and Provincial together, she was fully equipped; but that the legislative powers remained distributed and "if, in the exercise of her new functions derived from her new international status, she incurs obligations they must, so far as legislation be concerned when they deal with Provincial classes of subjects, be dealt with by the totality of powers, in other words by co-operation between the Dominion and the Provinces. While the ship of State now sails on larger ventures and into foreign waters she still retains the water-tight compartments which are an essential part of her original structure." The Supreme Court had been equally divided and therefore the formal judgment could only state the opinions of the three Judges on either side. Their Lordships were of opinion that the answer to the three questions should be that the Act in each case was *ultra vires* of the Parliament of Canada.

In their judgment, delivered by Lord Atkin, their Lordships make an interesting reference to Chief Justice Duff of the Supreme Court of Canada. Referring to the distribution of powers between the Dominion and the Provinces their Lordships said, in part: "The law of Canada on this branch of constitutional law has been stated with such force and clarity by the Chief Justice, in his judgment in the Reference concerning the Natural Products Marketing Act and dealing with the six Acts there referred to, that their Lordships abstain from stating it afresh . . . . They consider that the law is finally settled by the current of cases cited by the Chief Justice on the principle declared by him . . . . The few pages of the Chief Justice's judgment will, it is hoped, form the *locus classicus* of the law on this point and preclude further disputes."

V. *Reference*—Natural Products Marketing Act. This Act as amended by the Natural Products Marketing Act Amendment Act, 1935 was, in the unanimous opinion of the Supreme Court *ultra vires*. An appeal to the Privy Council was made by the Attorney-General of British Columbia, the respondents being the Attorney-General of Canada and others. Their Lordships declared that unless and until a change was made in the respective legislative functions of Dominion and Province it might well be that satisfactory results could only be obtained by co-operation; but that the legislation would have to be carefully framed and would not be achieved by either party leaving its own sphere and encroaching upon that of the other; and that in the existing case their Lordships were unable to support the Dominion legislation as it stood and advised that the appeal should be dismissed.

VI. *Reference*—Farmers' Creditors Arrangement Act. This Act as amended by The Farmers' Creditors Arrangement Act Amendment Act, 1935, was *intra vires* in the opinion of the Chief Justice, Mr. Justice Rinfret, Mr. Justice Crocket, Mr. Justice Davis and Mr. Justice Kerwin of the Supreme Court while Mr. Justice Cannon was of opinion that the Statute, with the exception of Section 17, was *ultra vires* and that Section 17 was *intra vires*. Section 17 limited the rate of interest on farm mortgages to five per cent. The Attorney-General of British Columbia appealed to the Privy Council against that Judgment and was supported by the Attorney-General of Ontario. The Attorney-General of Canada defended the judgment. Their Lordships were unable to accept the contention that the Act was not genuine legislation relating to bankruptcy and insolvency. Accordingly the appeal failed and their Lordships advised that the appeal should be dismissed without costs and that the opinion of the majority of the Supreme Court should be affirmed.

The Opposition Leader in 1936

The Rt. Hon. R. B. Bennett during the 1936 Session of Parliament took up his official duties as Leader of the Opposition with much of his old-time vigour. He showed little trace of the illness which had kept him from the House for so many weeks during the previous Spring. He made few public appearances after Prorogation, before leaving for a long holiday trip on a visit to several countries of the Empire. As was his custom each year, he had entertained on June 10 the Conservative Members and their wives at a dinner in Ottawa at the Country Club. He had addressed, a few weeks before, the Ontario Medical Association at their annual banquet in London, Ont., when he called upon Canadians to face the growing power of dictatorships, militarism and reaction throughout the world; and to take account of the responsibilities of national aspirations and their defence. He warned against the cost of protection obtained from a stronger nation. He referred to the "visionary means" of security provided by the League of Nations and declared that it was for the British Commonwealth to take up the cause of peace and security where the League "laid it down." He spoke of the resources of Canada and pictured them in the hands of "a German nation under its present leadership," or under the rule of Japan. "What could be done by Imperial Japan with Canadian resources at her command?" he asked. "I do not raise the question as something that could possibly happen. I am merely picturing opposite conceptions of the relations of the individual to the State. We will say nothing of standards of living, but there would be little, if any, unemployment. There would be little hitch-hiking or relief-camp striking.

We would all be busy in the dedication of the country's resources, human and material, to the achievement of national greatness and power."

On Dominion Day Mr. Bennett was in Vancouver, taking part in the City's Golden Jubilee celebration. From there he went to Calgary for a short visit before returning to Ottawa. In Calgary during an interview, the Conservative Leader declared that a continuance of the policy followed by the Canadian Wheat Board since December, 1935, would be injurious to Western farmers and wheat producers throughout the world. Mr. Bennett was not long in Ottawa before he left to sail from San Francisco on his way to New Zealand, Australia, Tasmania and South Africa. He finished his long journey in England, arriving there in December, 1936.

By-Elections of 1935 and 1936

Eight Dominion By-Elections took place between the General Election of Oct. 14, 1935, and Dec. 31, 1936. There were the two vacancies in Queens (P.E.I.) and Assiniboia (Sask.), both occasioned by the acceptance of offices of emolument under the Crown by the sitting Members, Mr. J. J. Larabee (Lib.) and Mr. Robert McKenzie (Lib.), respectively. The Hon. Charles A. Dunning (Minister of Finance) was elected by acclamation as Member for Queens; he was the sole nominee on Dec. 30, 1935. The Hon. James G. Gardiner (Minister of Agriculture) won the Assiniboia seat by a majority of 3,565 on Jan. 6, 1936. Nominations had taken place on Dec. 23, 1935. His opposing candidate, Mr. William Irvine (C.C.F.) received a total of 3,717 votes. The other six By-Elections were as follows:

Portneuf (Que.)—Vacancy caused by the acceptance of an office of emolument under the Crown by the sitting Member, the Hon. Lucien Cannon (Lib.). As Mr. Pierre Gauthier (Lib.) was the only candidate nominated on Jan. 27, 1936, he was proclaimed elected.

Antigonish-Guysborough (N.S.)—Vacancy caused by the appointment to the Senate of the sitting Member, Mr. William Duff (Lib.). As Mr. J. Ralph Kirk (Lib.) was the only candidate nominated on Mar. 16, 1936, he was declared elected by acclamation.

Victoria (B.C.)—Vacancy caused by the death of the sitting Member, Mr. D. B. Plunkett (Cons.). Nominations took place on June 1, 1936; and voting, on June 8. The Hon. S. F. Tolmie (Cons.) was declared elected by a majority of 90 votes. His opposing candidates had been Mr. J. K. Gordon (C.C.F.), who won 5,887 votes, and Mr. C. J. McDowell (Lib.), who had 5,725 votes to his credit.

Wright (Que.)—Vacancy caused by the death of the sitting Member, Mr. W. F. Perras (Lib.). At nomination on Aug. 3, 1936, Mr. Rodolphe Leduc (Lib.) was the only candidate. He was declared elected by acclamation.

Gloucester (N.B.)—Vacancy caused by the death of the sitting Member, the Hon. P. J. Veniot (Lib.). At nomination on Aug. 17, Mr. Clarence J. Veniot (Lib.) was the only candidate. He was declared elected by acclamation.

Ottawa East (Ont.)—Vacancy caused by the acceptance of an office of emolument under the Crown by the sitting Member, Mr. E. R. E. Chevrier (Lib.). Five candidates were nominated on Oct. 19, 1936. Voting took place on Oct. 26 and, as a result, Mr. J. A. Pinard (Lib.) was declared elected by a majority of 2,894 votes. The other candidates were the following: Mr. W. M. Hunger (Ind. Lib.), 6,832 votes; Mr. Jean Tissot (Nat. Un.), 3,449 votes; Mrs. Cecile G. O'Regan (Ind. Lib.), 1,849 votes; and Mr. R. H. Parent (Ind. Lib.), 1,726 votes.

An aftermath of the General Election of October, 1935, was a recount before a county court judge in connection with the election of Mr. G. W. McDonald (Lib.) for the Souris (Man.) seat. As a result of the recount, Mr. McDonald was declared elected by a majority of three votes over Mr. E. F. Willis (Cons.). The votes in the General Election had been: McDonald, 4,504; Willis, 4,501; Parkes (C.C.F.), 953; and Clandening (Recon.), 631. After the recount an Election petition was filed by Mr. Willis; it came before a court consisting of Mr. Chief Justice Prendergast and Mr. Justice Richards. Their judgment, on Feb. 24, 1936, gave Mr. McDonald, 4,508 votes and Mr. Willis, 4,505 votes, confirming the election of Mr. McDonald.

The Eighteenth Parliament; the First Session

Writs having been issued and returned a new Parliament was summoned to meet for the dispatch of business on Feb. 6, 1936. At the opening of the Session the Prime Minister (Mr. Mackenzie King) stated the wish of the Members to present Addresses to His Majesty King Edward VIII and Her Majesty Queen Mary expressing the deep sympathy of the House of Commons and of the people of Canada as a whole in the loss they had sustained in the death of King George V; and also to offer their loyalty and devotion to King Edward. On the following day two Motions to this effect by the Prime Minister, each seconded by the Leader of the Opposition, were adopted. For the convenience of the House they were dealt with as one in the speeches which followed.

The Senate on the same day also adopted a Motion to send Addresses of sympathy and loyalty to His Majesty King Edward VIII and of condolence to Her Majesty Queen Mary.

Before the formal opening of Parliament Mr. Pierre F. Casgrain Member for Charlevoix-Saguenay was approved by the House as Speaker.

The Speech from the Throne by the new Governor-General, Baron Tweedsmuir of Elsfield, contained fitting reference to the death of King George V and to his successor, King Edward VIII. It dealt with unemployment: the increase in the number of those employed without an accompanying decrease in the number of those on relief; the hoped for establishment by legislation and with the approval of the Governments of all the Provinces, of a representative national commission which would supervise unemployment relief and co-operate in an endeavour to provide work for the unemployed; the transfer of the camps established for the care of single homeless men from the Department of National Defence to the Department of Labour, with the intimation that the closing of the camps would take place at as early a date as expanding employment opportunities permitted. It announced an inquiry into conditions in the textile industry, the result of the closing down on Jan. 18 of one of the plants in the City of Sherbrooke. In this connection there was the significant warning: "My Ministers are of the opinion that industries should recognize an obligation to co-operate in every manner possible in continuing and providing employment and, that labour and consumers have a right to have their voice heard and influence felt in the control of industrial policy. Where these ends cannot be effected through voluntary co-operation of all parties to industry, my Ministers are of the opinion that there are the strongest reasons for State interference". Another inquiry was forecast "into representations which continue to be made respecting monopolistic control of the importation and distribution of anthracite", with a view to safeguard the interests of consumers.

References were made to the Canada-United States Trade Treaty; to the trade settlement with Japan; to the submission of 1935 reform enactments to the Supreme Court; to the satisfactory results of the Wheat Board policy; to the Dominion-Provincial Conference of December, 1935 —to the work of its continuing Committees; and to the matters arising out of the Conference which would be submitted to Parliament for consideration, such as the proposal for amending The British North America Act in order to provide for certain financial arrangements between the Dominion and the Provinces (a Dominion-Provincial Committee was engaged in the consideration of a method and procedure for effecting constitutional amendments). The Speech stated that "it was proposed

to restore to Parliament its control over taxation and expenditure by ending all measures which have deprived Members of this House of Commons of this control and which have served to invest the executive with unwarranted arbitrary powers." Every effort, the Speech continued, would be made to substitute stability for uncertainty in the administration of Custom laws. Other legislation to be submitted for the consideration of Parliament included provisions: (1) to give to the Government a predominant interest in the ownership as well as effective control of the Bank of Canada; (2) to amend existing legislation respecting the Canadian National Railways which would afford a greater measure of governmental authority and responsibility to Parliament; (3) to create Parliamentary secretaryships; and (4) to reorganize and consolidate Government Services, steps already having been taken with regard to this latter item. A Committee of the House, it was stated, would inquire into the subject of radio broadcasting.

The Debate on the Address

The Address-in-Reply to the Speech from the Throne was moved by Mr. A. G. Slaght (Lib., Parry Sound) and seconded by Mr. Sarto Fournier (Lib., Maisonneuve-Rosemount). After Mr. Bennett and Mr. King had each spoken in the Debate it was continued by twenty-one other Members.

Mr. Bennett (Leader of the Opposition), in the course of a four-hour address, questioned the policy of the Government in repudiating a suggestion of Mr. W. A. Riddell, Canada's representative at Geneva, as to the inclusion of additional items during a discussion of a Committee of the League on the question of sanctions against Italy for "unwarranted aggression against Ethiopia."

Referring to the agreement made by the Government at the end of December, 1935, in settlement of the six-months' trade dispute with Japan Mr. Bennett assured the House "that at any time before October it would have been possible to have arrived at that agreement, but I would not make it. I stand here to-night and say that I would not make it; I stand here to-night and say that I condemn it. I believe it to be bad and I am as certain as one can be in this changing world that the Agreement which has been consummated will bring disaster to Canada."

He discussed at length the Canada-United States Treaty which had been signed a few weeks after the accession to office of the Mackenzie King Ministry. He placed on *Hansard* the dispatch which the Hon. W. D. Herridge, Canadian Minister at Washington, sent on Nov. 14, 1934, to the Hon. Cordell Hull, Secretary of State of the United States, because, he stated, it furnished the basis of the trade negotiations carried on by the last Administration (Bennett). He said that it had been prepared with great care by the joint effort of those in the permanent Canadian Civil Service and it had been considered by the Cabinet on three occasions. "I want to make clear only one thing," he said, "namely, that for what we could get we were not prepared to give what was asked. That is the story, stated in that simple sentence; and that is the reason I have read this (the dispatch) so that there might be no misunderstanding as to the basis of the negotiations on the broadest possible foundation, comprising everything. We were not prepared to see every treaty we made with 23 countries enuring to the benefit of the United States unless we obtained a *quid pro quo* that was worth while." Mr. Bennett added that there were in the Trade Agreement with the United States many things that represented arrangements arrived at

necessarily by the former Conservative Government for no Government could negotiate an Agreement in forty-eight hours. There were many items that were advantageous to both countries "but," he said "you have to decide on balance and the Government with which I was associated decided, on balance, that we could not make that bargain."

The Leader of the Opposition then attacked the References of the 1935 reform Acts to the Supreme Court of Canada. He found it difficult to understand why Mr. Lapointe, after his appointment as Minister of Justice, should take the very Statutes that he had said in 1935 were illegal and send them to the Supreme Court of Canada asking for a declaration as to their legality. Mr. Bennett recalled that the constitutionality of the Lemieux Act had been always in doubt but that it had not been referred to a court until a case had come up in which the defendant had pleaded that it was unconstitutional; that the court had decided that it was invalid and that the Privy Council had upheld that view. He protested against the wholesale Reference to the courts of a large number of Statutes when it was possible to determine their validity in the light of real circumstances.

Mr. Bennett turned next to the paragraph in the Speech from the Throne claiming that the policy of the Canadian Wheat Board in selling wheat at competitive prices was bringing satisfactory results. He stated that the removal of Messrs. McFarland, Grant and Smith from the Board by an Order-in-Council dated Dec. 3, 1935, had been based on the Report of a Sub-Committee of the Council stating that "a definite and persistent resistance against the sale of Canadian wheat has existed and now exists in the world markets, which resistance is based on antagonism to the members of the present Canadian Wheat Board." He then quoted Departmental figures to show that during the time Mr. McFarland had operated, from July 31, 1930 to July 31, 1935, the United Kingdom had imported from Canada 40,000,000 bushels more wheat than it had during the period from 1926 to July 31, 1930, when a Liberal Government was in power. He asked whether those figures warranted the statement that buying resistance had been set up against those three men?

Discussing certain legal points, Mr. Bennett deplored the setting up by the Provincial Government of Saskatchewan of a Commission of investigation, composed of three judges; also that the Inquiry into the Regina riots should be in progress while the question in part was being referred to the Courts. He spoke of the railway situation and unemployment conditions, including the relief camps. The two inquiries into the textile industry and anthracite also received his attention. He referred to the proposed Amendment to the Bank of Canada Act, and in this connection, said: "Let the Government make it clear that a change of ownership of the bank, if that is what is contemplated, does not mean that money is to be handed out as credit to any one who may ask for it, or that the credit facilities are thus to be made available to every person in the country." Concluding, Mr. Bennett said: "As I said in Toronto—and I was greatly misunderstood, for I had no thought in my mind of a national Government—I believe the conditions that confront this country to be serious in the extreme. I do not desire to magnify them, but I should be false to my position if I minimized them. . . . I do not think . . . that Canada can possibly extricate herself from her present position unless all are prepared to make some sacrifices and to have a clearer appreciation and understanding of what is involved in the issues which we are facing."

The Prime Minister, continuing the Debate on the same day, contrasted his leadership with that of Mr. Bennett. He discussed the campaign and results of the General Election of 1935, stating his belief that Mr. Bennett had known about the "Mr. Sage" radio broadcasts and declaring that, as Prime Minister at that time, he should not have permitted for one minute the use of the national radio in such a manner. Mr King then turned to the paragraph in the Speech from the Throne where it was proposed "to restore to Parliament its control over taxation and expenditure." He answered a query of Mr. Bennett by giving figures to show that up to the first of November, 1935, the total expenditure by Order-in-Council under the Relief Acts had been $192,000,000 and that there were loans amounting to $95,000,000 and guarantees for no less than $160,000,000, making a total obligation on the Treasury of $447,000,000, over the outlay of which the House of Commons, as such, had no real control. He thought that of all the paragraphs in the Speech from the Throne, the one which undertook to restore to the House of Commons its control over the expenditure of public moneys was the most important.

Mr. King assured the Leader of the Opposition as to the validity of the powers given to the Textile Commission. The Inquiry would go very fully into the whole position of the textile industries in Canada, he said, and it would consider competition not only from Japan but from Great Britain and elsewhere. He placed on *Hansard* a copy of the Order-in-Council appointing this Royal Commission. "My Rt. Hon. friend had a great deal to say last Session about State intervention," he remarked. "Now that the Election is over and an act of State intervention set forth in this Order-in-Council is taken, he immediately busies himself with raising objection to this particular form of State intervention applied in this instance."

Continuing, Mr. King stated that the effect of the restoration of normal trade relations between Canada and Japan had been to put back to work thousands of men in the Province of British Columbia and in other parts of Canada and had increased the purchasing power which was so necessary to the people of Canada. Instead of creating unemployment it had been, along with another international agreement (the United States Trade Agreement), a most important influence in helping to increase employment in industry, on the railways and in many other directions. Referring to the wheat question Mr. King said that he would leave the reply to a colleague. All that he wanted to say was, that in nine and a half weeks following its appointment, the old Board had made sales of only 12,500,000 bushels of wheat, whereas the new Board, appointed on Dec. 3, 1935, in the first six weeks of its operations, had made net sales of 65,000,000 bushels.

Turning to the Trade Agreement with the United States Mr. King declared that Mr. Bennett, by his delay for two years in seeking to negotiate, gave the strongest reason to the people of the United States, and particularly its Government, to believe that he was half-hearted about the whole project. Mr. Bennett had done his best, he said, to create the impression that the Agreement had been reached in a hasty manner and without due consideration. On the contrary, Mr. King pointed out, everything that could be known about the effect of the tariffs on the respective countries and what was possible in the way of an agreement, within certain limits, had been worked out with great care by the Members of the Public Services of Canada and of the United States. All that ground had been gone over during the preceding year or two and the information was immediately available to the Administra-

tion. Having related the circumstances leading up to the Agreement, he claimed that it was not the number of months or years that were taken to do a thing; it was the intensity of effort and the will and determination given to a task that counted in negotiations of that kind.

The Prime Minister gave a brief explanation of the action taken by Mr. Riddell at Geneva with regard to sanctions against Italy. He stated that Mr. Riddell had telephoned the Government the information that he understood that the question of adding oil, coal, iron, copper, steel and one or two other commodities to the sanctions would likely come up for discussion on a particular day and he had asked for instructions; that the Government had immediately cabled him to take no action whatever, no initiative in any way; that before the answer reached him the question had arisen in a committee of representatives of different countries at Geneva and that Mr. Riddell, although he had no authority from the Government to do so, had made the proposal that oil and certain other commodities should be added to the list of prohibited articles to Italy. Mr. Riddell's explanation to the Government had been, Mr. King said, that he had had no intention of being regarded as acting for Canada; that he had acted, simply as a member of a Committee, the proceedings of which were understood to be private; that he had wished only to emphasize the question of including oil in the list of sanctions as another European nation had already proposed it and as it appeared to be getting no consideration in the discussion. While Mr. King believed that Mr. Riddell thought he was acting in good faith, he declared that he (Mr. Riddell) had had no authority to take such an important step in a critical situation; that when the statement appeared in the Press the Government had told him that he had exceeded his authority; and that he should not take any further action without most careful and full instructions. If other countries, Mr. King stated, had referred to the action taken at that time by that Committee as the action of a committee and not as the action of any member of the Committee or of any particular country or government nothing further would need to have been said; but the situation had entirely changed when the Press of England and of Europe began to refer from day to day to the proposal of an oil sanction as the especial desire of the Government of Canada and when representatives of the British and other Governments at Geneva were told that they should hasten because Canada was anxious and insistent in the matter. Mr. King read extracts from a large number of newspapers to show that the Press not only of England and Europe but of all the countries in the world referred to oil sanctions as Canada's proposal. Having regard to the critical situation in Europe, it had been necessary to make very clear that it was not the proposal of Canada but the proposal of an individual member of a committee.

In concluding Mr. King placed on *Hansard* the statement which he had issued on the night of the General Election, Oct. 14, which he thought admirably summed up the significance of the recent campaign and indicated pretty clearly the will and wish and views of the people of Canada.

Mr. J. S. Woodsworth (C.C.F., Winnipeg, N.-C.) on the same day (Feb. 11) moved an Amendment to the Motion, seconded by Mr. M. J. Coldwell (C.C.F., Rosetown-Biggar) that the following words be added to the Motion: "We respectfully regret, however, that Your Excellency's present advisers have not indicated that they have any policy or intend to take definite and immediate steps to end the prevailing poverty

and insecurity of the masses by making available to the people of Canada the great actual and potential wealth of the country."

Among the points taken up by the Hon. Ernest Lapointe (Minister of Justice), who also spoke on Feb. 11, was that of the References to the Supreme Court of certain 1935 reform Acts. He admitted, as had been previously stated by the Opposition Leader, that he had expressed contrary views on the floor of the House during the passage of the measures, but he reminded Mr. Bennett that at the time he had stated that he was not as sure of his views as he (Mr. Bennett) was of his. Both he and his Leader (Mr. King), he said, had suggested when they were being discussed that the enactments in question should be referred to the Supreme Court of Canada. "We asked that they should be, and we stated definitely that we would have them referred if we were Members of the future Government of the country."

Mr. Lapointe reviewed the appointment in Saskatchewan of a Commission to investigate the Regina riots in the Spring of 1935. He stated that the Minister of Justice (Bennett Ministry) had notified the Commission before the General Election of October, 1935, that the Province had had no right to appoint judges as Commissioners; that it was the right of the Dominion Government only, whereupon the Judges, Messrs. Brown, Martin and Doak had offered their resignations to the Provincial Government which refused to accept them, stating that they had acted within their right in appointing them. That, Mr. Lapointe said, had been the position when he assumed the office of Minister of Justice (after the General Election). His views, he stated, differed from those of his predecessor. He had obtained also other legal opinion to the effect that judges could act on Provincial Commissions. He believed, he said, that the judges in such a position were performing a public service. The Commission, therefore, was proceeding, and was proceeding in what he considered an effective way. He believed that the evidence that was being given before the Commission would be a justification of what the members of the Royal Canadian Mounted Police force had done during the riots; and that it would clarify certain issues which were perhaps dangerous, as to which the people had not had the best information. As the R.C.M.P. received their orders in Provincial matters from the Attorney-General of the Province and, in Federal matters, from the Dominion, there had been a conflict between the two views with regard to the situation, but he believed, Mr. Lapointe said, that the work of the Commission and its Report would make it easier to reconcile the two views.

On Feb. 12 the Hon. W. D. Euler, Minister of Trade and Commerce and Chairman of the Wheat Committee, answered the Opposition Leader's charges in connection with the change in the membership of the Canadian Wheat Board. He had heard, he said, no rumours detrimental to Mr. McFarland, such as described by Mr. Bennett. In order to prove that there had been sales resistance, Mr. Euler read from several trade journals containing references to the general policy of the Canadian Wheat Board "which prevented free competition on the international market." The Minister of Trade and Commerce stated that, during the six weeks the new Board had been in office, sixty-five and a half million bushels of wheat had been sold. Before concluding his criticism of the policy of the Bennett Administration with regard to the Canadian wheat carryover between 1930 and 1935, Mr. Euler quoted numerous statistics covering the wheat situation.

Before Mr. Woodsworth's Amendment was negatived by 8 to 208 and the main Motion of Mr. Slaght was agreed to, the following Members took part in the Debate: Messrs. Stevens, Bertrand (Prescott), Blackmore, Douglas, Esling, Fournier (Maisonneuve), Graydon, Lawson, MacInnis, Perley, Rowe, Taylor (Nanaimo), Thompson, MacNeil, McIvor, Pelletier and Quelch.

The Budget Speech of 1936

The Main Estimates for the fiscal year ending Mar. 31, 1937, were presented on Feb. 11, 1936. The grand total amounted to $384,427,548 as compared with the sum granted for the fiscal year ended Mar. 31, 1936, which amounted to $396,509,542, a decrease of $12,081,993. Supplementary Estimates for the fiscal year 1936-37 as well as Further Supplementary Estimates for the fiscal year 1935-36 were subsequently presented to the House by the Minister of Finance.

The Hon. Charles A. Dunning delivered his Budget Speech on May 1. After a review of trade, business, industry, employment and interest rates he discussed the financial position of the four Western Provinces whose credit "has been maintained during the last few years only by the financial support of the Dominion." Loans to these Provinces by the Dominion Government "in order to enable them to meet their share of relief costs, maturing obligations, and in some cases even ordinary Governmental expenditures . . . now amount to $116,500,000. . . . If we continue this process of handing out funds without security and without control of any sort, we shall be in danger of undermining Dominion credit, which, in my opinion, must be protected at all costs."

Mr. Dunning described the Government's efforts toward finding a solution to the problem. The continuing Committee of the Dominion-Provincial Conference of December, 1935, appointed to study the question, had met in January and March of 1936. During these discussions, an agreement had been reached whereby the Dominion should undertake to initiate an Amendment to The British North America Act providing for certain enabling Dominion Government powers; and when such had been granted the Dominion Government would sponsor legislation setting up a National Financial Council to provide a permanent mechanism for mutual discussion of financial problems and individual loan councils to approve any programme for refunding the debt of a Province under Dominion guarantee, and also to supervise future borrowings by such Province. Since Mar. 31 the Government, Mr. Dunning stated, had not had any statutory authority to make loans or to give guarantees to any Province and even in the Relief Bill "now before Parliament such authority as is being asked for relates only to loans, advances or guarantees in connection with relief measures or undertakings." It was not proposed, he said, except through loan council legislation, to ask Parliament for authority to grant financial assistance to enable a Province to meet a maturing obligation or to provide for other ordinary governmental expenditures. The Government would proceed with the necessary amendment to The B.N.A. Act and thereafter with the legislation to establish loan councils and a national finance council. They were prepared to modify the loan council arrangement originally suggested in order to make it possible for a Province which had not obtained the council's approval for a borrowing proposal to make such offering on its own credit in the domestic market. Approval of the loan council, however, would be mandatory for all external issues and also for domestic issues in those

cases where the outstanding debt of the Province was refunded under Dominion guarantee.

Mr. Dunning gave a brief outline of Canada's trade. He referred to the efforts to expand trade with the United States, Japan, New Zealand, Haiti, Belgium and other countries and also with the United Kingdom, the most important of our customers. The total trade of Canada with other countries (excluding gold coin and bullion) for the fiscal year ended Mar. 31, 1936, he gave as $1,341,860,233, an increase of $151,884,422 or 12.8 per cent., over the previous year. Exports to the United States for the full year ended Mar. 31, 1936, amounted to 291.3 million dollars, a gain of 60.5 million dollars or 26.2 per cent. over the previous year. Exports to the United States for the three months, January, February and March were $70,868,053 as compared with $57,061,713 for the same months of 1935, an increase of 24.2 per cent. Imports from the United States for the full year just ended were $319,610,706 an increase of 16 million dollars over the preceding year. Of this increase $7.2 millions were recorded in the first three months of 1936 under the new Trade Agreement.

Revenues and Expenditures, 1935-36

The Minister of Finance then turned to Governmental accounts. The total Revenue from taxation and other sources for the year ended Mar. 31, 1936, was $372,100,000 which was $10,229,000 in excess of the total Revenue for the preceding fiscal year. The revenue from taxes alone amounted to $317,288,000, an increase of $12,845,000 over 1934-35. The Income tax yielded $82,700,000, as compared with $66,808,000 in 1934-35—the highest yield from Income tax ever recorded, the next being $78,684,000 in 1921-22. The Sales tax came to $77,000,000, an increase of $4,553,000 over 1934-35. Excise duties, yielded $44,410,000, exceeding the collections of 1934-35 by $1,220,000, notwithstanding the substantial reduction made in the duty on liquors. The yields from other major types of taxation were lower in 1935-36 than in the preceding fiscal year. The total revenue from Customs import duties amounted to $74,000,000, as compared with $76,562,000 collected in 1934-35. The increased rise in 1935-36 in imports was almost wholly in the non-dutiable items. Special Excise taxes produced a total revenue of $35,700,000, a decrease of $4,045,000 over the previous year. Non-tax revenues—from Departmental Services—aggregated $54,492,000, an increase of $461,000.

The Ordinary Expenditures for the year 1935-36 amounted to $373,987,000, which was $14,287,000 more than in 1934-35, but $16,000,000 lower than the total of the amounts authorized by vote and Statute. The substantial reduction below the appropriations was accounted for, Mr. Dunning stated, in part, at least, by the measures taken by "the present Government", when they came into office in October, 1935. Some of the increase in Ordinary Expenditures was due to special causes: the General Election was one; Old Age Pensions cost increased $1,818,000; and there were additional grants to the Provinces amounting to $2,375,000. Of special interest was the decrease of $3,983,000 in interest on the Public Debt, due to conversions at a lower interest rate. The interest burden in 1935-36 was $134,550,000, which was lower than any year since 1931-32, but it used up 36.2 per cent. of the total Revenue.

Capital Expenditures amounted to $6,576,000 in 1935-36, a decrease of $451,000 from the previous year, 1934-35; the chief item was $5,361,000 for dredging the St. Lawrence ship channel.

Special Expenditures totalled $102,777,000, which was $41,640,000 in excess of the year 1934-35 and much higher than in any previous year. Of this total, $49,469,000 represented payments for Unemployment Relief purposes, as compared to $51,987,307 in 1934-35. Another item which might have been included under Unemployment Relief purposes related to public works for that purpose under the two Acts of 1934 and 1935. Expenditures under these two Acts came to $30,232,000 as compared with $8,673,000 in 1934-35. Included in the Special Expenditures for 1935-36 were three items representing wheat losses as a result of the wheat policy in effect during the previous five years. These were $6,600,000 paid to primary producers as equalization; a debit balance of $15,856,645 assumed by the Canadian Wheat Board as of Dec. 2, 1935, and a loss of $170,130 on oats of the 1930 crop. (See other references to The Canadian Wheat Board).

The Canadian National Railways

The Canadian National Railways had a cash deficit of $47,400,000 in 1935 as compared with $48,400,000 in 1934. The saving of one million dollars was due to economy in interest by conversions of securities. Certain charges in the accounts of the railways not involving cash should be taken into account in reconciling the cash deficit with the net loss for the year as shown by the Annual Report of the Railway Company. In addition to the provision for deficits the Government advanced $7,574,000 to the railways in the fiscal year for Capital Expenditures and retirement of debt. During the year four issues of the Company's bonds aggregating $108,519,000 were called for redemption prior to their maturity dates and were replaced by securities bearing lower rates of interest. The annual saving to the Company, after providing for the amortization of the premiums paid upon the called bonds would be approximately $3,000,000 a year as a result of this refunding. On Mar. 31, 1936 the debt of the Canadian National Railway system outstanding in the hands of the public was $1,217,000,000, having been reduced by $21,000,000 in 1935-36. Of the amount outstanding $964,000,000 was the total of obligations guaranteed by the Dominion. In connection with all of the steamship services there was a total credit of $63,000.

Summary of Expenditures—the Deficit

Adding together Ordinary, Capital and Special Expenditures, as well as losses of and non-active advances to Government-owned enterprises the grand total of Expenditures for which the Government was responsible was $534,291,000, an increase of $56,286,000 during the fiscal year 1935-36 as compared with 1934-35. In 1935-36 nearly 62 per cent. of the Dominion's Revenues was required to meet Fixed and Uncontrollable Expenditures. Taking the total Revenue for the year at $372,100,000 and the total Expenditures at $534,291,000 there was an over-all Deficit for 1935-36 of $162,191,000, as compared with a total deficit in the previous year of $116,134,000.

Loans to the Provinces; and Investments

In addition to these Expenditures, loans and investments were made to the amount of $60,400,000. The most important were loans to the four Western Provinces aggregating $42,300,000 under authority of the Relief Acts, as follows (net): Manitoba, $2,396,226; Saskatchewan, $14,245,479; Alberta, $13,588,445; and British Columbia, $12,558,445. The amount due by the Provinces at the beginning of the fiscal year was $74,200,000. With the addition of the loans during the year the total of Dominion assistance under Relief Acts to the four Western Provinces

at Mar. 31, 1936, was $116,527,164 as follows: Manitoba, $15,504,855; Saskatchewan, $48,368,629; Alberta, $25,081,000 and British Columbia $25,572,680.

Indirect Liabilities

Bonds and debenture stocks bearing the guarantee of the Dominion outstanding in the hands of the public at the close of the fiscal year, Mar. 31, 1936, amounted to $994,600,000. The increase during the year was $7,300,000, accounted for by changes in Canadian National Railways issues, including the funding of a temporary loan from the Government outstanding a year ago. Other contingent liabilities are those arising out of guarantees given pursuant to the Relief and other Acts. During the year the Government gave guarantees under the authority of the Canadian Wheat Board Act. The amount of these guarantees at Mar. 31, 1936, was about $58,000,000. The guarantee of bank loans to the Canadian Pacific Railway, the original amount of which was $60,000,000, was further reduced during the fiscal year by $12,000,000. The indebtedness at Mar. 31, 1936, was $36,000,000. The Government was advised that the Company had made arrangements to liquidate the balance of the loans on May 1 and the Dominion would be relieved of its liability without loss. The guarantee arising out of the assumption by the chartered banks of the liability of the Province of Manitoba Savings Bank was further reduced during the year by $1,500,000.

Loan Flotations

New issues of Dominion obligations during the year 1935-36 totalled $500,000,000, exclusive of temporary financing. Issues to the amount of $297,000,000 were for the purpose of refunding maturing obligations. The balance of $203,000,000, representing the net increase in Funded Debt and Treasury bills during the year, was issued for deficit and other current purposes. At the close of the fiscal year 1935-36 the average rate of interest on the outstanding Funded Debt and Treasury bills was 3.9 per cent. as compared with 4.15 per cent. in 1934-35. Mr. Dunning placed on *Hansard* a statement giving the essential details of these new issues.

The National Debt of Canada

At Mar. 31, 1936, the Unmatured Funded Debt and Treasury bills of the Dominion outstanding, less sinking funds, amounted to $3,207,000,000. To this amount were to be added other liabilities, mainly composed of Insurance and Superannuation funds, Post Office Savings Deposits and certain trust and contingent accounts, amounting to $225,000,000, to arrive at the Gross Liabilities of $3,432,000,000. Active Assets, including cash on hand and investments, amounted to $424,000,000. After deducting the latter figure from the Gross Liabilities, the Net Debt at the close of the fiscal year amounted to $3,008,000,000. "When we left office in 1930," Mr. Dunning stated, the Net Debt of the Dominion stood at $2,141,000,000, the increase in the interval being $867,000,000. The total Funded Debt increased almost one billion dollars in the period.

Taxation and Tariff Changes, 1936; Estimated Revenue, 1936-37

Mr. Dunning estimated the Revenue for the current fiscal year, 1936-37, at $387,850,000. As the Main Estimates and the Special Supplementary Estimates called for Expenditures of over $509,000,000, plus further Supplementary Estimates, it was apparent, he said, that the Deficit for the year would be over $125,000,000, without taking into account possible losses on wheat. He thought it necessary to budget for a Deficit for the current fiscal year of not less than $100,000,000, without taking into

account possible wheat losses. This compared with $162,000,000 Deficit for 1935-36. It therefore became necessary to provide for additional taxation revenue to the amount of approximately $28,000,000 to $30,000,000. Mr. Dunning then outlined the proposed changes in the tariff and taxation structure.

Income Tax—An increase would be made in the rate of tax on corporations from 13½ to 15 per cent. Where returns were consolidated, the rate would be raised from 15 to 17 per cent. Exemption would be granted from Corporate Income tax to any metalliferous mine going into production between May 1, 1936 and Jan. 1, 1940. The rate of interest on unpaid instalments of Income tax would be reduced from 6 to 5 per cent.; and the penalty rate of interest with respect to over-due taxes would be lowered from 4 to 3 per cent. Payment of the Gift tax would be made annually rather than at the time each gift was made; gifts up to $1,000 annually to one person would be exempt from the provisions of the Gift tax in future. Investment-holding companies, wholly owned by non-residents of Canada would be taxed at one-half the ordinary corporate rate and dividends of these companies would be exempt from the five per cent. tax on dividends going to non-residents. These changes in Income tax, it was anticipated, would provide for an increase in revenue of approximately $6,000,000.

Sales Tax—The rate of Sales tax would be increased from 6 to 8 per cent. A few changes would be made in the schedule of exemptions from the tax. Added revenue expected from this item was, approximately, $23,000,000.

Excise Tax—In accordance with recommendations of the Tariff Board the existing 5 and 10 per cent. rate on automobiles imported or produced in Canada would be replaced with a flat rate tax of 5 per cent. on all automobiles regardless of Canadian or Empire content on the value in excess of $650; and at the same time it was provided that in no case should the Tax per automobile exceed $250; tires and tubes would be exempted from the Excise tax when purchased by manufacturers producing less than 10,000 automobiles or chassis each year if at least 50 per cent. of factory cost were incurred in the British Empire—60 per cent. was stipulated for production of more than 10,000 automobiles. Other changes in the tax levied under the Special War Revenue Act were of minor importance.

Excise Duties—Duty on Canadian brandies would be reduced from $4 to $3 per gallon. A reduction of $1 per gallon would be made in the rate of the Excise duty on spirits used in medicines, extracts and pharmaceutical preparations. The Excise duty on imports of leaf tobacco would be removed from the Excise Act and transferred at the same rates to the Customs Tariff.

Customs Tariff—The proposed amendments relating to both the Tariff Act and the various schedules thereto were classified as follows: Reductions under all tariffs, 37; reductions under British preferential tariff only, 30; reductions under British preferential and intermediate only, 20; reductions under intermediate only, 11; reductions under intermediate and general only, 6; total, 104. Increases under intermediate and general only, 7; increases under intermediate only, 3; increases under general tariff only, 2; total, 12.

With regard to the Customs Tariff proposals, Mr. Dunning stated that if one had in mind that they followed closely upon the tariff revision

effected by the Canada-United States Trade Agreement and immediately preceded negotiations with the United Kingdom, it would, he thought, be generally admitted that they were extensive and important. He explained that by direction of his immediate predecessor in office, the Tariff Board had been reviewing duties applying to motor vehicles, cotton products, gasoline, and yarns and fabrics of artificial silk; and, at his (Mr. Dunning's) request, had been conducting an investigation into the existing state of the furniture industry, and that Reports on these subjects by the Board had been tabled that day in the House. He stated that the Government, after careful consideration, had decided to accept in each instance, the rates of duty recommended by the Board. Continuing, the Minister of Finance said: "It will be remembered that under the Canada-United States Agreement recently approved by Parliament, the duties on automobiles were reduced from 20, 30 and 40 per cent., respectively, on the three price-ranges, to 17½, 22½ and 30 per cent. It has been decided to make the existing intermediate tariff of 17½ per cent. apply to all automobiles and trucks—all of which, including parts for original equipment, replacement or repair, will be free of duty under the British preferential tariff. . . .

"It is proposed, . . . to remove entirely the specific duties on yarns and fabrics of cotton, under the British preferential tariff. It is proposed . . . to revise the specific duties applying to cotton clothing, wearing apparel and manufactured articles of cotton, by removing these duties entirely on imports under the British preferential tariff and by reducing them by one-half on imports under the intermediate tariff.

"The vital feature of the changes in the petroleum schedule is the reduction of the intermediate rate on gasoline to one cent per gallon as compared with a rate, until recently effective, of 2½ cents. . . ."

It was proposed, under the British preferential tariff, to remove entirely the specific duties on both yarns and fabrics, to reduce also the *ad valorem rate* on acetate yarns and to adjust the *ad valorem* rate on the fabrics. As a corollary to this reduction, it was proposed to reduce both the British preferential and intermediate duties on clothing, wearing apparel and manufactured articles of artificial silk.

With regard to the British preferential tariff, Mr. Dunning then proceeded: "May I at this point say a few words regarding changes at this time in the British preferential tariff? In negotiating recently with the United States, the Government took scrupulous care to respect in letter and spirit every syllable of the agreements effected in 1932 with various countries of the British Empire. Although the Liberal Opposition of that day had registered disapproval of the Conference Agreements on the ground that in too many instances these established preferences by raising duties against other countries, that Opposition, now become the Government of the day, has seen to it that every commitment was respected. No guaranteed British margin was impaired. Nay, more, many preferences that might with warrant have been deemed not to be in that class were deliberately set aside as not open to negotiation—sometimes at considerable cost to Canada in the matter of bargaining."

In concluding his references to the tariff Mr. Dunning said that in the purely domestic sphere, "there is the fact, so readily overlooked, that this Government, in extending to the United States the benefits of the intermediate tariff, effected at one stroke the most thorough-going downward revision of the Customs tariff of Canada since the inception of that tariff—as a consequence of which act, together with the changes

now proposed, commodities imported from the United States under at least 200 of the most important items in the tariff will pay lower duty than they would have paid had they been so imported after the adoption of the May 1 Budget of 1930."

Reductions under all tariffs were proposed on a wide range of varied commodities including biologicals for the diagnosis or treatment of diseases, materials used in the production of periodical publications, numerous petroleum products other than gasoline, ditchers and tractors of all kinds, safety equipment of all kinds, printing and press room equipment, precision tools, draughtsmens' and surveyors' instruments, various articles for use in hospitals, certain soya bean products, all articles used by the blind, rolling mill and paper mill rolls, and feeds for fur bearing animals.

Canadians returning from abroad would be permitted to import free of Customs duties goods to a value of $100 provided the same were for their personal use. The requirements would be, briefly, 48 hours' absence from Canadian soil and the privilege might be enjoyed not more than once in each four-month period.

Concluding his Budget Speech Mr. Dunning referred briefly to a similar occasion six years before when he had presented the Budget for that year. He drew attention to the great change that had taken place in world conditions and conditions in Canada during the interval—a change that constituted "a challenge without precedent to the ability, the judgment and the broad patriotism of those charged with public responsibilities." He stated that the Government of Canada were making earnest and sustained efforts to meet this challenge and to grapple with the manifold problems of the country.

The Budget Debate

The Rt. Hon. R. B. Bennett, Leader of the Opposition (Conservative), on May 5 opened the Debate on the Budget by congratulating the Minister of Finance both upon its arrangement and the presentation of the Budget. It was, he said, highly creditable alike to the Minister and to the officials of the Department of Finance. He then made a vigorous defence of the policies of his Administration during 1930-35 and cited the results as proof of their effectiveness. "When the other twenty-four great trading nations of the world showed an improvement of only a little over four per cent., the improvement in our country was more than eleven per cent. Under these circumstances should we not as Canadians be proud that those who toiled, though they did not have the same political faith and opinions as the Government of to-day, by their efforts and through the policies which they formulated, have been able to accomplish the ends for which the Minister now takes credit?" Mr. Bennett recalled the fact that when the Empire Trade Agreements had been entered into in 1932 Canada was at the lowest level of its economic life. As a result of the Agreements, he said, one-half of Canada's existing export trade was with the British Empire; this, he believed, every fair-minded man would admit. He quoted from Mr. Dunning's Budget Speech as follows, in order, he said, to substantiate his statement:

" 'Upon analyzing our export trade, it is found that the United Kingdom is still our largest market having taken 293 million dollars or 41½ per cent. in value of our goods exported in the eleven months ended Feb. 29, 1936, which is approximately the same proportion of the total as in the previous similar period. The British Empire, as a whole, purchased

362 million dollars worth, which was 15½ per cent. more than for the same eleven months a year ago. Within the Empire the increased purchases from us were distributed as follows: the United Kingdom, 15.6 per cent., Australia, 35.1 per cent., New Zealand, 28.7 per cent. and South Africa, 7.1 per cent. Exports to British India decreased by 17.2 per cent.

" 'Not only do our increased exports bear witness to the steady growth of our trade with Empire countries, but the same trend is also revealed in the figures of our purchases from these countries. While our exports to Empire countries gained by 48.5 million dollars, our imports increased 19.4 million dollars or 13½ per cent. in the eleven-month period. This increase in imports from British countries was shared as follows: the United Kingdom, 5.4 per cent., Australia, 16 per cent., British India, 13.4 per cent., New Zealand, 21.7 per cent. and South Africa, 41.3 per cent. Figures showing trade with the United Kingdom and with other Empire countries in the eleven months ended Feb. 29, 1936, and in the previous year are as follows (Mr. Bennett then quoted the table as given by the Minister of Finance):' "

Trade of Canada with Empire Countries
(excluding gold coin and bullion)

	Eleven Months Ended	
	Feb. 28, 1935	Feb. 29, 1936
Imports from the United Kingdom	$102,602,618	$293,002,334
Exports to the United Kingdom	253,488,637	163,429,300
Imports from the British Empire	143,989,314	362,178,462
Exports to the British Empire	313,665,822	108,177,173

"If recovery has commenced," Mr. Bennett continued, "it is a recovery based upon policies that this (Liberal) Government did not initiate or control. That, I think, will have to be admitted."

The Leader of the Opposition denounced some of the tariff reductions made by the existing Government (Liberal) in the Trade Agreement with the United States and those proposed in the Budget. He pointed out that when the Government during his *régime* created the Tariff Board (1931) Members of the Liberal Party had declared against it; yet a number of the items in the Resolutions before the House were placed there by none other than the Board. He questioned the fairness of the treatment accorded the agricultural implement industry in the proposal of the Government to write down their tariff from 12½ to 7½ per cent. before members of the industry had had an opportunity of presenting their cases to the Committee appointed for the purpose; these cases were, he said, at the request of the Government, in the course of preparation. Other industries, he continued, such as the gasolene and automobile, had been heard by the Tariff Board previous to Budget proposals. He further declared that countervailing duties represented "the cowardice of an Administration not prepared to raise the duty"; that he saw no reason why the mining industry should be singled out for freedom from taxation; and that, in saying that an 8 per cent. Sales tax was one that Canada could not bear, he reflected the opinion of at least two or three former Ministers of Finance. With respect to the provision in the Budget for a deficit with respect to wheat and oats over a period of five or six years Mr. Bennett claimed that the amount could not be determined until there had been an ultimate liquidation of stocks. While he agreed with Mr. Dunning, Mr. Bennett said, that there were two serious problems—the railways and the Provinces—he wished to recall that the Minister of Finance in dealing with the railway problem had left it merely with the substitution of seven directors for three trustees. In this connection he also drew attention to the new loss

of the Canadian National Railways system as shown in the recently published Annual Report and concluded his address with an appeal to the Government to work toward a solution of the railway problem. Contrary to the usual procedure, the Leader of the Opposition did not move any Amendment to the Motion of the Minister of Finance to go into Committee of Ways and Means.

The Debate closed on May 12 after 39 Members had spoken. On May 6 Mr. Angus MacInnis (C.C.F., Vancouver East) moved, seconded by Mr. T. C. Douglas (C.C.F., Weyburn) an Amendment to the effect that the House deplored the increase in the Sales tax and regretted that the Government were taking no steps to lessen the inequalities of income by increased taxation on larger incomes and a levy on capital. On May 11, Mr. E. G. Hansell (Social Credit, Macleod) moved, seconded by Mr. E. J. Poole (Social Credit, Red Deer), an Amendment to the Amendment to the effect that the financial policy must be made to serve industrial and national requirements so that all the people could enjoy the benefits to which their productive capacity entitled them. Mr. Hansell's Amendment to the Amendment was negatived on division, yeas, 16 and nays, 198, only Social Credit Members voting for it. The Amendment of Mr. MacInnis was negatived on division, 8 yeas and 210 nays. Those voting for it were six C.C.F. members, Mr. Heaps (Lab.) and Miss MacPhail (U.F.O.). The name of Mr. Stevens, Reconstruction Party Leader, did not appear on either of these division lists. The main Motion of Mr. Dunning was agreed to, on division, not recorded.

Dominion Finances, 1935 and 1936

The following Statement of the Public Debt and the Revenue and Expenditure of the Dominion of Canada for the fiscal years ended Mar. 31, 1935 and 1936, was supplied by the Department of Finance:

Public Debt and the Revenue and Expenditure

Public Debt at Close of Fiscal Year

Liabilities

	1935		1936		1935		1936	
FUNDED DEBT—	$	cts.	$	cts.	$	cts.	$	cts.
Unmatured—								
Payable in Canada ..	2,268,700,965.33		2,401,659,735.07					
Payable in Canada and New York ...	90,661,100.00		89,787,000.00					
Payable in New York.	292,737,986.67		364,000,000.00					
Payable in London ..	409,867,596.79		409,867,596.79					
Matured and Outstanding—								
Canada	4,176,361.62		2,021,379.37					
Canada and New York	5,000.00		.....					
New York	36,700.00		2,143,700.00					
London	60,839.90		36,541.44					
					3,066,246,550.31		3,269,515,952.67	
Bank Circulation Redemption Fund					6,696,470.88		6,857,941.84	
Post Office Savings Bank					22,547,006.38		22,047,287.14	
Post Office Account					2,137,533.02		2,726,925.05	
Government Annuities, Insurance and Superannuation Funds.					126,166,495.89		150,614,097.08	
Trust Funds					20,027,459.10		21,428,018.36	
Contingent and Special Funds					5,625,493.96		6,044,146.46	
Province Accounts					11,919,973.07		11,919,973.07	
Interest due and outstanding					1,858,530.82		1,739,085.61	
Total					3,263,225,513.43		3,492,893,427.28	

Assets

	1935 $ cts.	1936 $ cts.	1935 $ cts.	1936 $ cts.
Sinking Funds			54,532,688.09	58,168,944.35
Gold Bullion			2,443,223.80	2,236,628.91
Loans and Advances—				
Canadian Farm Loan Board			8,856,850.00	16,789,808.00
Canadian National Railways			33,884,413.41	41,458,286.10
Dominion Housing Act, 1934			.....	81,583.00
Foreign Governments—				
Gov't of Greece ..	6,525,000.00	6,525,000.00		
Gov't of Roumania	23,969,720.00	23,969,720.00		
			30,494,720.00	30,494,720.00
Harbour Commissions			81,714,394.91	83,152,397.85
Provinces—				
Housing Act, 1919			9,771,187.72	6,768,387.72
Relief Acts			74,691,765.34	116,995,914.92
Soldier and General Land Settlement			44,648,324.69	43,594,539.60
Province Accounts			2,296,156.30	2,296,156.30
Miscellaneous and Banking Accounts			73,780,830.95	84,755,543.50
Total			417,114,555.21	486,792,910.25
Total Net Debt (no credit has been taken for non-active assets), Mar. 31, 1935 and 1936			2,846,110,958.22	3,006,100,517.03
Total Net Debt (no credit has been taken for non-active assets), Mar. 31, 1934 and 1935			2,729,978,140.62	2,846,110,958.22
Increase of Debt			116,132,817.60	159,989,558.81

Revenues and Expenditures for Fiscal Years 1935 and 1936

Revenue Ordinary Revenue	Total Apr. 1, 1934 to Mar. 31, 1935	Total Apr. 1, 1935 to Mar. 31, 1936
	$ cts.	$ cts.
TAXATION REVENUE—		
Customs Duty	76,561,974.99	74,004,559.77
Excise Duty	43,189,654.64	44,409,797.09
War Tax Revenue—		
Excise Taxes (sales, stamps, etc.)	112,192,069.58	112,733,048.29
Income Tax ..	66,808,065.51	82,709,802.83
Miscellaneous Taxes	2,118,579.59	2,041,776.13
Total Taxation Revenue	300,870,344.31	315,898,984.11
Interest on Investments	10,963,478.38	10,614,124.99
Post Office	31,248,324.47	32,507,888.52
Radio Receiving Licences	1,487,408.04	1,574,431.06
Canada Grain Act	1,204,535.91	1,213,086.90
Miscellaneous	12,700,819.90	10,413,690.87
Total Ordinary Revenue	358,474,911.01	372,222,206.45
Special Receipts		
Special Receipts and Miscellaneous Credits to Consolidated Fund	3,397,168.80	319,833.09
Total Revenue	361,872,079.81	372,542,039.54
Expenditure Ordinary Expenditure		
Debt Charges—		
Interest on Public Debt	138,533,201.63	134,549,169.45
Cost of Loan Flotations	2,890,191.92	3,576,857.81
Charges of Management	978,744.66	284,003.07
Subsidies to Provinces	13,768,953.24	13,768,953.24
Finance, including Old Age Pensions	22,825,351.22	27,633,739.97
Agriculture	7,106,534.99	9,399,310.46
National Defence	14,131,483.11	17,122,230.93
National Revenue	10,165,136.11	10,962,987.80
Pensions and National Health	54,168,057.94	54,843,802.20
Post Office	30,252,310.04	31,437,718.94
Public Works	9,904,493.93	12,945,277.08
Trade and Commerce	7,010,514.33	7,732,969.54
Other departments	48,434,851.33	48,769,770.83
Total Ordinary Expenditure	360,169,824.45	373,026,791.32

Capital Expenditure	Total Apr. 1, 1934 to Mar. 31, 1935	Total Apr. 1, 1935 to Mar. 31, 1936
	$ cts.	$ cts.
Canals	331,521.77	443,970.06
Railways	506,902.35	279,779.69
Public Works—Miscellaneous	6,188,583.49	5,793,371.18
Total Capital Expenditure	7,027,007.61	6,517,120.93
Special Expenditure		
Unemployment Relief Act, 1930	2,500.00	26,338.33
Unemployment Relief Act, 1931	52,242.90	26,173.05
Unemployment Relief Act, 1932	398,927.66	111,071.40
Unemployment Relief Act, 1933	2,413,241.81	493,415.50
Unemployment Relief Act, 1933, Agricultural Stabilization Fund	6,710.04	.....
Unemployment Relief Act, 1934	49,113,684.57	1,151,356.82
Unemployment Relief Act, 1935	.....	48,027,322.71
Public Works Construction Acts	8,672,548.76	29,580,578.14
1930 Wheat Crop Equalization Payments Act	.....	6,600,000.00
Loss on 1930 Wheat Pool and Stabilization Operations—Payments to Canadian Wheat Board of net liability assumed as at December 2, 1935	.....	15,856,645.35
Loss on 1930 Oats Pool under guarantee of bank advances to Canadian Co-operative Wheat Producers, Ltd.	.....	174,383.34
Miscellaneous charges	200.00	.....
Total Special Expenditure	60,660,055.74	102,047,284.64
Government Owned Enterprises		
Losses Charged to Consolidated Fund—		
Canadian National Railways System *ex* Eastern Lines	42,589,824.96	41,795,757.24
Canadian National Railways System Eastern Lines	5,818,075.74	5,625,707.56
Canadian National Steamships	.....	269,969.17
Harbour Commissions	.....	1,126,055.58
Loans and Advances Non-Active—		
Canadian National Steamships	487,167.22	—332,663.78
Harbour Commissions	1,241,733.24	2,455,575.69
Total Government Owned Enterprises	50,136,801.16	50,940,401.46
Write-Down of Assets		
Account previously carried as Active written down as Non-active	11,208.45	.....
Grand Total Expenditure	478,004,897.41	532,531,598.35

Legislation of 1936

The Session of 1936 saw the enactment of important measures dealing with trade, finance and the unemployment situation. The Canada-United States Trade Agreement concluded on Armistice Day, 1935, was approved and the Bill necessary to implement it was passed by both Houses. Changes were made in the constitution of the Bank of Canada in order to give to the Government a predominant interest in the ownership as well as effective control of the bank. Provision was made for the establishment of a National Employment Commission to co-operate with the Provinces, municipalities and other agencies in a nation-wide effort to provide work for the unemployed. After having thrown out seven similar Bills the Senate gave its approval to the Bill to repeal Section 98 of the Criminal Code and it received the Royal Assent on June 23. Two Acts provided for Departmental mergers. Another Act repealed the Act of 1935 providing for the setting up of an Economic Council.

The Bill to amend the Combines Investigation Act which provided that the Act should be restored to what it was prior to the Amendment of 1935, namely, so that documents produced in the course of an investigation would not be exempted from use in criminal proceedings, passed the

Commons without discussion. After considerable Debate the Senate rejected the vital Section in the Bill. The Prime Minister took strong exception to the action of the Upper House. He declared that the Bill was useless as returned to the Commons. In the end the measure was not enacted.

The Canada—United States Trade Agreement Act, 1936

This Act ratified the Trade Agreement between Canada and the United States signed at Washington on Nov. 15, 1935, by the Prime Minister of Canada (Mr. Mackenzie King), for His Majesty the King and for Canada, and by the Secretary of State of the United States (Mr. Cordell Hull) for the President of the United States. The Act, with the complete text of the Articles of Agreement and of the Tariff Schedules attached thereto as integral parts of the Agreement became Chap. 3 of the 1936 Statutes of Canada. Subject to the provisions of Articles 7, 10 and 14, the Agreement was to remain in force until Dec. 31, 1938; and the entire Agreement was to go into force on the day of the exchange of the proclamation and ratification at Ottawa.

In introducing on Feb. 25, the Motion to approve of the Agreement, subject to the legislation required to give effect to its provisions, the Prime Minister briefly explained the contents of the fifteen Articles of the Agreement as follows: "I. Sets forth that there shall be mutual exchange of unconditional and unrestricted most-favoured-nation treatment. II. Provides for most-favoured-nation treatment in regard to import and export restrictions; in the event of quantitative restrictions, quotas, etcetera, a quantity of restricted goods equivalent to the proportion enjoyed in a previous representative period shall be allocated to the exporting country. III. Canada fixes maximum rates of duty on imports from the United States in relation to items enumerated in Schedule I to the Agreement. IV. The United States fixes maximum rates of duty on imports from Canada in relation to items enumerated in Schedule II to the Agreement. V. Each country may impose on imports from the other a tax equivalent to any internal tax levied on domestic products of like nature. VI. Internal taxes on imported articles shall be no higher than those levied on like articles of national origin or any other foreign origin. VII. No quantitative control shall be applied by either country with respect to the goods of the other, except as specifically provided for in Schedules I and II; that regulations for control of markets applied to domestic products shall apply equally to goods imported from the other; that all changes must await thirty days' notice, after which, though no agreement has been reached, such change may be made; and that when such action is taken, the other country may, within fifteen days, give thirty days' notice of terminating the entire Agreement. VIII. Each country promises fair and equitable treatment to goods of the other in the event of a national monopoly over any product. IX. If either country adopts control of exchange, the other will be granted an allotment based on a previous representative period. Sympathetic consideration will be given any representations of the other in this respect. X. In the event of a wide variation in exchange rates between the two countries, either may propose modification of the Agreement, and failing agreement within thirty days, may terminate the Agreement in its entirety on thirty days' notice. XI. In the event of either country enacting any measure deemed as nullifying or impairing objectives of the Agreement, provision is made for friendly negotiation and consideration by a joint committee of experts. XII. The Agreement shall not preclude the regulation of

exports and imports of gold and silver; regulation of trade in arms; and regulation based on the following grounds: moral or humanitarian protection of human, animal or plant life, prison made goods, enforcement of police or revenue laws, and unfair or fraudulent practices. XIII. Only the most-favoured-nation clause of the Agreement applies to the Philippines, Virgin Islands, American Samoa, and Guam. None of the concessions apply to the Panama Canal Zone, and the agreement is not to apply to concessions between (1) United States, Cuba, Philippines, the Panama Canal Zone and (2) British Empire countries. XIV. Any concession may be withdrawn or subjected to quantitative restriction if through extension to a third country such country obtains the major benefit, and undue increase in importation from such country takes place. Then there is a provision as to how that difficulty may be settled."

"The last Article of the Agreement provides that the Agreement shall be ratified by His Majesty and proclaimed by the President of the United States. The Agreement was proclaimed by the President on Nov. 29. The following articles of the Agreement came into force on Jan. 1, 1936: Article I, most-favoured-nation treatment, Article III, concessions made by Canada to the United States in Schedule No. 1, Article IV, concessions made by the United States to Canada in Schedule No. 2. The entire Agreement shall come into force on the day of exchange of proclamation and ratification at Ottawa. It shall remain in force until Dec. 31, 1938, subject to the provisions of Articles VII, X and XIV, the so-called escape clauses. The Agreement shall thereafter be subject to termination on six months' notice."

Accompanying the Agreement, Mr. King explained, was a Note given to the Secretary of State of the United States by the Canadian Charge d'Affaires at Washington, declaring the Canadian Government's intention to amend the Customs Act in certain particulars, as follows: "1. To change the method of determining values for duty purposes to eliminate arbitrary executive interference: (a) value for duty will not include advance for selling cost or profit greater than ordinarily prevails in country of export; (b) discounts shall not operate to increase value for duty purposes beyond ordinary price prevailing at time and place of shipment in ordinary trade; (c) in case of fixed values for duty purposes established under Section 43 of the Customs Act there shall be an appeal to the Tariff Board; (d) 'class or kind made or produced in Canada' shall mean 'in commercial quantities,' and adequate notice shall be given of proposal to transfer any goods into this category. 2. Pending legislation, fixed valuations under Section 43 of the Customs Act are abolished on twenty specified articles. 3. Canada is to allow Canadian visitors to the United States to bring back incidental purchases up to $100 in value under regulations 'substantially equivalent' to those now in effect in the United States with respect to Canada."

By the Agreement Canada retained freedom to adjust the rates of the Intermediate tariff with respect to all items not included in Schedule I of the Agreement. This Schedule comprised 180 items or less than 13 per cent. of the total number of items in the Canadian tariff; in the case of 86 items, provision was made for reductions in existing Intermediate rates of duty; and in the case of 94 items, for the maintenance of existing Intermediate rates of duty. During the three years' duration of the Agreement, Canada might not increase the Intermediate rates of these items. The anti-dumping provisions of the Canadian tariff were still in effect and so far as values for duty were concerned the commitments had been made to the United States chiefly with a view to eliminating arbitrary

executive interference with the normal course of trade. Full safeguards had been retained for dealing with abnormal situations and for protecting Canadian industries against the dumping by other countries of goods which were sold below fair market value in the country of origin, or below cost of production plus a reasonable advance for selling cost and profit.

The Prime Minister stated that with regard to concessions granted to the United States on the basis of Canadian imports it would be noticed that, in most cases, the concessions involved a very substantial benefit to Canadian producers as well as consumers because they were on commodities with respect to which there had been for some time previous to the Agreement a demand for reduction in duty. The total imports to which these items had reference amounted in 1930 to $847,000,000, and in 1935, to $304,000,000. There were concessions altogether with regard to 180 different commodities. There were 86 reductions in duty; there were 79 bound to the existing rates; and there were 15 bound to the free list. Canada received reductions in respect to 63 items of the United States tariff, in addition to the binding of 21 items on the free list.

Conceded that it might appear that, numerically, Canada had given concessions on a greater number of items than those on which she had received concessions, Mr. King explained that it had to be taken into consideration that the great bulk of Canadian exports fell within a few categories of goods embracing a large trade and affecting only a limited number of classifications of the United States tariff; that United States exports, on the other hand, covered a wide range of products of a diversified nature, which were enumerated in greater detail in Canadian tariff schedules than in the corresponding schedules of the United States tariff. He stated that the only direct concession that the Government had been able to secure for the grain growers of Canada was the assurance of the continuance of the moderate rates of duty under which low grade wheat and by-products of grain had been exported in considerable volume to the United States. On the basis of the 1929 trade, Canada had secured : (1) Assurance of the continued free entry of goods, amounting in value at that time to $221,000,000. (2) Reduction in duties, $79,000,000; and (3) Bindings at existing rates of duty, $8,000,000. The total value of trade directly affected by the Agreement on the basis of the 1929 volume amounted to $308,000,000. There was a further large item, Mr. King said, which had amounted to $16,000,000 in 1929. It represented certain kinds of pulpwood, the continued free entry of which was assured by virtue of the Trade Agreement concluded between the United States and Sweden. Thus, the total volume of Canadian exports to the United States affected by the Agreement was, on the basis of the 1929 figure, upwards of $325,000,000.

Mr. King gave an analysis of the concessions granted to Canada on agricultural, fishery, forest, and certain mineral products, and manufactured goods. Under the last head was whiskey on which the reduction was from $5 to $2.50 per proof gallon.

With regard to direct shipment, Mr. King said that "prior to the entry into effect of the Trade Agreement, the Canadian tariff provided that imports enjoying the lower rates of the Intermediate tariff must not pass in transit through countries to which the intermediate rates were not extended. Similarly, goods entering Canada under British preferential rates must not pass through a non-British country, if they were to secure full benefit of British preferential treatment. The United States had for some time asked for the complete abolition of these direct shipment

provisions, which they contended were grossly discriminatory against United States ports and transportation facilities and against which they had threatened retaliatory action for some years. . . . It should be noted that a simple exchange of most-favoured-nation treatment would have automatically extended to the United States the trans-shipment privileges which they derived from the Trade Agreement. The provisions for direct shipment in connection with British preferential rates are not affected in any way. . . . Apart from the handicaps previously mentioned which Canada would have experienced in United States markets had she failed to secure most-favoured-nation treatment from that country, there was the further danger of a number of items of which Canada is the chief supplier being transferred from the free list in the United States tariff. The most important commodity falling under this head is that of newsprint."

Forty-five Members took part in the Debate on the Agreement; it occupied portions of seven sittings of the House over a period of two weeks. The Motion to approve the Agreement was adopted on Mar. 10 by 175 to 39.

Mr. Bennett (Leader of the Opposition), in the Debate, contrasted the population, wealth and development of the two countries. He claimed that, for the concessions granted, Canada had a right to receive from the United States more than the 50 per cent. reduction in every tariff item which the President was empowered to give. Having enumerated all the concessions granted by Canada, he asked whether the Agreement could be considered a fair deal. He was alarmed about the favoured-nation treatment clauses in Canada's treaties. Under the Agreement, 28 countries (which he mentioned) had, he said, a right in the market of Canada to the same advantages that Canada had granted to the United States. He explained that the abolition of the direct shipment provision would injure the ports on which Canada had spent many millions of dollars and would deprive Canadian railways of their long haul. He added that men were being released from United States branch factories in Canada because it was cheaper to produce the goods in central western United States and ship them to Canada by rail from those centres. The Agreement provided for the removal of the operation of Section 43 of the Customs Act or "the removal of arbitrary values" but, Mr. Bennett said, without its application to imports into Canada, during the years from 1930 to 1934 at any rate, he did not see how Canada could have maintained her position. He added that it would have been absurd to deal with those imports by means of *ad valorem* duty. Mr. Bennett next enumerated a large number of the items in the Schedules to the Agreement; compared the new tariff duties with the former duties; and declared that the effect of the reductions should be considered by the Government. The fact that the Agreement had not been signed by the Government (Conservative), during the 1935 General Election campaign, was an indication, he said, that there was strong conviction that it was not adequate. He declared that the proposals of the United States offered to him were substantially those embodied in the concessions submitted to the House. But the concessions asked for were of such a nature that the Government (of which he was Leader) were not prepared to grant them.

The Bill to give effect to the Trade Agreement passed the House on Mar. 23 after a long discussion on various legal aspects. It received the Royal Assent on Apr. 8, 1936. The final act in negotiation of the agreement took place in the Prime Minister's office in Ottawa on May 14

when Certificates of ratification were exchanged between Mr. King and Mr. Norman Armour, United States Minister at Ottawa.

The National Employment Commission Act, 1936

The Government's intention to abolish relief camps by Dominion Day and a plan to employ 10,000 men in the camps on railway maintenance work were announced in the House on Feb. 26 by the Hon. N. M. Rogers, Minister of Labour. As an emergency measure such camps might have been justified, he declared, but as a permanent feature of social organization in Canada they could not be supported either on grounds of social utility or of governmental economy. On Mar. 19 he introduced a Bill to establish a National Employment Commission of seven members whose duties would be to carry out a national registration and classification of persons on relief; to recommend the conditions to be complied with by any Province obtaining relief grants from the Government; to recommend to the Minister effective means of mobilizing the agencies for relief in order to avoid overlapping and abuses; to investigate proposals for public works as a means to aid in providing employment: to co-operate with commercial and industrial groups in devising means to increase employment; to study plans for an apprenticeship system in industry; to investigate means of providing employment for the disabled and to co-operate with the Veterans' Assistance Commission; to recommend measures of national development; and to take such steps to ensure publicity as might be necessary. Provision was made for appointment of a National Advisory Committee to include a "Women's Employment Committee" and a "Youth Employment Committee."

During a discussion of the Bill on Apr. 3, the Prime Minister announced that the Government would appropriate over $50,000,000 for unemployment relief. He stated that a corresponding amount, approximately, would have to be contributed by the Provinces and the Municipalities. Thus a $100,000,000 unemployment relief works' programme would be undertaken in Canada. On Apr. 6 Mr. King revised his estimate of $50,000,000 for relief purposes to $75,000,000. He had not taken into account an expenditure of something like another $25,000,000 to which the country was already committed through projects started by the previous Administration.

The Bill received its third reading on Apr. 8. It was approved by the Senate after a short Debate. The Rt. Hon. Arthur Meighen, Leader of the Opposltion, stated that he did not intend to oppose the Bill or to urge his fellow members to vote against it; that it undoubtedly was part of the specific programme of the Party sustained in the Election and there was consequently no doubt as to mandate; but, he declared, that to appoint a commission to deal with a problem which fundamentally and basically was Provincial was not sound and could not result in success. As to the duties and powers Clauses he said "Futility is written across every line of them." With regard to the proposal to establish an apprenticeship system he said: "Every one knows that if any force or persuasion is to be used to revive and restore the old apprenticeship plan, the legislative assistance given to it must be Provincial. It is plain, therefore, that when the recommendation gets to the Minister he will be confronted with a stone wall and will sit with the recommendation until he is out of power." In conclusion Mr. Meighen said "If I were a member of the Administration I would rather have the thoughtful conclusions of a Senate Committee than those of any Commission lacking experience with those constitutional difficulties and conflicts of authority and power which have throttled the Government in the preparation of this Bill and resulted in making

of its every Clause an almost obvious futility." Of Section 9, which provided for the appointment of a "Women's Committee" and a "Youth Committee," Mr. Meighen said: "If you wanted to expose this Bill as just show-window legislation designed for effect or in other words, statutory hot air you could not do it better than is done in Clause 9." The Bill received the Royal Assent on the same day (Apr. 8, 1936).

On Apr. 20 the Prime Minister announced that the Chairman of the Commission would be Mr. Arthur B. Purvis of Montreal, President of Canadian Industries Limited, Director of the Bank of Montreal and of many other large industrial and financial companies.

The Unemployment Relief and Assistance Act, 1936

The Hon. N. M. Rogers, Minister of Labour, introduced on Mar. 19 a Bill to assist in the relief of unemployment, the promoting of agricultural settlement and in the development, conservation and improvement of certain natural and other resources. Mr. Rogers stated that the Bill was to supersede the Relief Act of 1935; that it was designed to provide similar authority for the forthcoming fiscal year. The Bill received the Royal Assent on May 7, 1936. The Act provided that the Governor-in-Council, out of moneys appropriated by Parliament, might authorize the execution of such works and undertakings as the Governor-in-Council might determine to be in the general interest of Canada and requisite for the purposes of the Act; that in the execution of any such work provision should be made for the employment of persons on relief; that where any such work to which the Dominion Government was contributing was under Provincial jurisdiction, all contracts should be approved by the Minister of Labour and the work supervised by a Dominion Government engineer; that all Orders-in-Council and regulations made under the provisions of the Act should be laid before the House of Commons forthwith or if Parliament were not sitting should be published in *The Canada Gazette*. Provision was made for the renewal or consolidation of loans, advances or guarantees made under the authority of the Relief Acts of 1932, 1933, 1934 and 1935. A Clause to the effect that the Governor-in-Council might enter into agreements with corporations, partnerships, or individuals engaged in industry respecting the expansion of industrial employment was contained in the Act. All the provisions except that referring to the renewal of loans were to expire on Mar. 31, 1937.

An Amendment to The Unemployment Relief and Assistance Act which received the Royal Assent on June 23, 1936, repealed Section 4 of the original Act and empowered the Dominion to grant financial assistance where necessary for relief and relief undertakings during February and March, 1936, and under any agreement which might be entered into under the authority of The Unemployment Relief and Assistance Act.

The Bank of Canada Amendment Act, 1936

The Government on June 1 took the first step to gain control of the Bank of Canada but met with considerable opposition on the ground that it did not go far enough. The Minister of Finance presented a Resolution declaring it expedient to bring in a Bill to amend the Bank of Canada Act in two important particulars:—first, the issue of an additional $5,100,000 of capital stock of the bank, to be purchased by the Minister of Finance and to be held by him on behalf of the Dominion of Canada; this was to ensure a predominance of public ownership in the central bank; and second, the appointment by the Government of

additional directors of the bank with sufficient voting power to give the Government a majority control of the Board of Directors.

Mr. J. S. Woodsworth (C.C.F., Winnipeg N.-C.) sought by an Amendment to provide that all shares of the Bank of Canada should be purchased by the Minister of Finance in order to assure ownership of the shares by the Government and to provide for appointment of directors in such manner as to ensure control of the Board by the Government. His action was ruled out of order on a vote of 111 to 23. On June 2, in Committee, Mr. G. G. McGeer (Lib., Vancouver-Burrard) moved, seconded by the Hon. H. H. Stevens (Recon., Kootenay E.) that the Bill should be referred to a Special Committee of seven Members and six Senators who should hold a general investigation into currency, credit, banking, finance and commerce. The Chairman ruled the Motion out of order on the ground that a House Committee could not delegate its authority to a Special Committee. After some further discussion Mr. Dunning's Resolution was adopted and the Bill was introduced and read a first time. The measure passed the House of Commons on June 18 and received third reading in the Senate two days later.

The provision that each note should be printed in both the English and the French languages came up for discussion on June 11. Mr. Bennett wondered why this disputatious matter should be thrown into the cauldron of politics at such a time. Mr. Lapointe, Minister of Justice, replied that in every country where similar conditions existed the bank notes were bilingual or even tri-lingual and gave as examples Belgium, Switzerland, South Africa, the Irish Free State. After some further Debate the Section (15) was declared carried on division. But the subject came up again on the third reading, June 16, when Mr. H. J. Barber (Cons., Fraser Valley) moved, seconded by Mr. E. E. Perley (Cons., Qu'Appelle) that this Section be deleted from the Bill. Mr. C. G. MacNeil (C.C.F., Vancouver N.) moved, seconded by Mr. T. C. Douglas (C.C.F., Weyburn) an Amendment to the Amendment providing that notes of the several denominations should bear no other words than "Canada" with the appropriate numerals, signatures, etc. The Amendment to the Amendment was lost on a vote of 15 to 184. Mr. Barber's Amendment was lost on a vote of 43 to 160. On June 17 Mr. J. S. Woodsworth (C.C.F., Winnipeg N.-C.) moved, seconded by Mr. A. A. Heaps (Lab., Winnipeg N.) that the Bill should not be read a third time because it did not provide for complete Government ownership of the Bank of Canada. The Speaker ruled this Amendment out of order and on appeal to the House the Speaker's ruling was sustained by 168 to 16.

The Prime Minister (Mr. King) spoke at length on June 17. He stated that the proposed legislation was in accord with the policies of the Liberal Party as stated from time to time in its official pronouncements and in particular as stated by himself. The measure, he said "seeks to restore to the Government of Canada control of currency issue and of credit, taking back this control from a privately owned and privately controlled institution and placing it in the hands of a Government institution of which the preponderating interest of ownership will be with the Government and over which the Government will have effective control. Observe the extent to which that control goes. It is the control, not only of ownership in the preponderating interest, but of an effective directorate, and is the control of the Government itself, which has the right to refuse to accept the *veto* of the Governor of the bank where a difference arises with respect to any action of the Directors. Behind all that takes place by virtue of any power which the Government itself

may exercise and which the Bank itself may attempt to exercise, there must be present at all times to the minds of all concerned the view that this Parliament is likely to take of whatever action is being reviewed."

The 1930 Wheat Crop Equalization Payments Act, 1936

When introducing on Mar. 25 a Resolution to provide for certain payments to primary producers of wheat and coarse grains grown in 1930 in Manitoba, Saskatchewan and Alberta the Hon. J. G. Gardiner, Minister of Agriculture, explained that the wheat growers who signed contracts with the Wheat Pools had delivered wheat in 1930 at an initial price of seventy cents a bushel, No. 1 Northern, Fort William; later, they had delivered at sixty cents a bushel; still later at fifty-five cents a bushel; and still later, at fifty cents a bushel. It was suggested that an amount equal to the sixty-cent payment should be paid to all who received less than the sixty cents; that the amount involved would be about $6,500,000; and that there was also the payment by the Canadian Co-operative Wheat Producers, Limited, of the net credit balance resulting from transactions by the latter in respect of coarse grains grown in the year 1930; that the amounts in the accounts which were guaranteed by the Government were to be returned to the Wheat Pools to be handled by them in such manner as would be provided for in the Act; and that the amount involved in the coarse grain Pools would be $350,000.

During the discussion that followed the Leader of the Opposition (Mr. Bennett) asked for the reason of the delayed action of the Government in connection with the payments. "The money," he said, "might have been paid by Order-in-Council at any time prior to the time Parliament met. Now we have a Bill and I assume the reason the Bill is here is because it is impossible to deal with the matter by Order-in-Council when Parliament is in Session; under the provisions of The Relief Act it will require legislation." He asked for information covering the auditors' report on the payments' question. When had the report been received by the Government. Had the report certified as to the correctness of the position taken by the sellers of the grain. What had been the findings by the auditors as to the amount that was to be paid for expenses. Before proceeding with the Resolution, he thought answers to those questions should be given by the Minister.

Mr. Gardiner read from a copy of an Order-in-Council dated Oct. 10, 1935, several days before the General Election. The document was in connection with the taking over by the Canadian Wheat Board, in accordance with the Canadian Wheat Board Act, 1935, all wheat or contracts, with respect to which the Government of Canada had given a guarantee, from the Canadian Co-operative Wheat Producers Limited, the Board assuming all liabilities of the latter organization in connection with the wheat and contracts and agreeing to pay the sum of $8,262,415 as the balance due the primary producers, and expenses and other charges in connection with the holding and handling of the wheat. The Order had been signed by five members of the Council and approved by the Administrator subject to the amount referred to being verified by auditors' certificates. Delay, Mr. Gardiner said, had occurred in getting a certificate from the auditors as to whether the amounts could be verified as amounts due to the primary producers of the three Prairie Provinces. The report of the auditors, he said, which bore the date Jan. 25, 1936, had been carefully studied by the Government.

There had been another reason for delay, the Minister of Agriculture said. It was that, owing to the rather extraordinary nature of the payment, "the Government of the present day" thought it wise to have the item providing for the payments brought before the House and discussed in such a manner as to give full information before any vote was taken for the payment of so large a sum to people in some parts of Canada.

The Bill to provide for these payments was introduced by Mr. Gardiner on Mar. 26. It authorized the Governor-in-Council to make payments of sums not exceeding in the aggregate $6,600,000 to the Canadian Wheat Board for distribution in order that (a) such primary producers who delivered wheat other than Durum wheat and who received for any grade thereof an initial payment based upon the rate of either 60 or 55 or 50 cents a bushel, basis No. 1 Northern Fort William, would receive an additional payment per bushel equal to the difference between the initial price paid per bushel for each grade of grain delivered and the price per bushel set opposite that grade in Schedule A to the Act; and (b) such primary producers who delivered Durum wheat and who received for any grade thereof an initial payment based upon the rate of either 64 or 54 or 49 cents per bushel, basis No. 1 Amber Durum, Fort William, would receive an additional payment per bushel equal to the difference between the initial price paid per bushel for each grade of grain delivered and the price per bushel set opposite that grade in Schedule B to the Act.

On Mar. 27 Mr. Gardiner gave a long history of grain growing operations and organizations in the West with particular reference to the crops for the years 1930 to 1935. In his reply, Mr. Bennett declared that for two and a half hours the Chamber had listened to the most violent political speech which he had heard for many years and which was made purely as a vindictive pronouncement against those who had endeavoured to stabilize the prices of wheat and prevent disaster to the farmers of Western Canada. He charged further that gross inaccuracies had been written in the long preamble to the Bill. He challenged the validity of the Bill because of these mis-statements of fact in the preamble and warned the Government that they were creating a dangerous precedent when they sought to write political propaganda into an Act of Parliament.

Another long discussion took place on the second reading of the Bill on Mar. 31. Mr. Gardiner placed on *Hansard* a lengthy document entitled Canadian Co-operative Wheat Producers Limited, Crop of 1930 Special and "Special Suspense" (Stabilizing Operation) showing the market position at each month end from Aug. 31, 1930 to Oct. 31, 1935. He also placed on *Hansard* the auditors' certificate dated Oct. 5, 1935, signed by Price, Waterhouse and Company.

In the Senate the preamble to which Mr. Bennett again had objected to during the Debate on third reading was reduced from 18 to 4 Clauses. The Senate Amendments were concurred in by the Commons without any comment.

The National Harbours Board Act, 1936

The National Harbours Board was constituted by Chap. 42 of the Statutes, 1936, to have jurisdiction over the following Harbours: Halifax, Saint John, Chicoutimi, Quebec, Three Rivers, Montreal and Vancouver and to have administration, management and control of (a) all works and property which were administered, managed and controlled by any of these seven corporations and (b) all other harbours, works and property

of the Dominion of Canada which the Government might transfer to the Board. It was provided by the Act that the Board should submit to the Minister an annual budget; that deficiency in revenues from each harbour was to be included in separate items in the estimates submitted to Parliament; that the Minister might make advances to the Board for working capital of an amount at any time outstanding not exceeding one million dollars; that such advances should be repaid within two months after the close of the fiscal year; that the Board should consist of three members, a Chairman, a Vice-Chairman and a third member appointed by the Governor-in-Council, who should devote their whole time to the business of the Board; and that the head office should be in the city of Ottawa.

In introducing the Bill the Hon. C. D. Howe, Minister of Marine, said that the existing form of administration, namely separate Harbour Commissions for each of the seven ports, each composed of three men chosen from the immediate locality, had been found in practice to be inefficient and exceedingly costly to the Dominion Government; that the property assets of the seven Ports brought within the jurisdiction of the proposed Board represent a capital investment of $176,000,000; and that their annual revenues varied from $7,000,000 to $9,000,000 and their annual expenditures from $10,000,000 to $23,000,000 *per annum* over the previous six or seven years.

The measure was severely criticized by a number of Members representing Harbour constituencies. In Committee on Apr. 21 Mr. Ernest Bertrand (Lib., Laurier) moved an Amendment to provide that there should be three boards instead of one, that there be a board for the St. Lawrence River ports, another for the Maritime Provinces ports, and a third for the Pacific Coast. This was ruled out of order by the Chairman of Committee of the Whole, Mr. A. M. Young (Lib., Saskatoon), in that it involved a further burden upon the Treasury. Mr. Howe said that the proposal was impracticable. Three distinct national boards would be as objectionable as seven local boards.

Mr. Bennett disclosed a little political history when the House was in Committee on the Harbours Bill on Apr. 23. "I have heard" he said "the observation that we did not introduce this Bill in pursuance of Sir Alexander Gibb's Report. That is perfectly true. I did not introduce it and it is perfectly true also that I could not get it through. I wish to be quite frank with the House. The Opposition of that day from Quebec was opposed to the Bill as it now is. It was opposed to it then and add to that the fact that our own friends were not in favour of it, dictator though I was I could not get this Bill through—as I say I want to be frank about it—and that is the reason why on the first occasion that offered I congratulated the Prime Minister in connection with the Speech from the Throne upon introducing this Bill."

The Senate referred the Bill to the Committee on Railways, Telegraphs and Harbours on May, 28. The Committee having heard witnesses reported in favour of several important Amendments which were adopted by the Senate and referred to the House. The most important were: to bring under the provisions of the Civil Service Act such professional, technical and other officers, clerks and employees as the Board might deem necessary for its business; to provide that temporary employees might be employed by the appropriate Port Manager; and a new Clause, "There may be established by the Governor-in-Council and maintained with relation to each of the Harbours a local advisory board for consultative purposes of which the Port Manager shall be chairman." The Commons on

June 19 refused all of these Amendments. The reason for refusing the one to bring employees under the Civil Service Act was that it made impossible re-employment of many officers and employees of existing Harbour Boards who had long years of service and, in addition, would seriously handicap the Board in the conduct of its many competitive operations. The Senate did not insist on these Amendments and the Bill went through without them on June 22. The Commons, however, did accept a later Amendment of the Senate providing that when tenders were required they should be opened in public and the contract should be awarded under the authority of the Governor-in-Council.

The Canadian National—Canadian Pacific Act, 1936

Important changes were made in the direction and management of Canadian National Railways by the Act to amend The Canadian National—Canadian Pacific Act, 1933. In place of three trustees there was substituted a Board of seven directors appointed by the Governor-in-Council, who might appoint one of them Chairman of the Board. Three of the original directors were to be appointed for three years, two for two years and two for one year. The Directors were to appoint, subject to the approval of the Governor-in-Council, a President who might be Chairman of the Board of Directors or a person other than one of the Directors. It was provided that a continuous audit of the accounts of the National Railways should be made by independent auditors appointed annually by a joint Resolution of the Senate and House of Commons and an annual reporting made to Parliament. It was declared to be the duty of the National Company and the Pacific Company to meet by their proper officers and endeavour to arrange for co-operation.

On the second reading of the Bill, the Hon. C. D. Howe, Minister of Railways and Canals, explained that the new measure did not change the intent and purpose of the 1933 Act other than to provide a Board of seven directors instead of a Board of three trustees. He said that it was common knowledge that the three Directors to whom the direction of the railways had been entrusted as a result of the 1933 Act had made no real progress toward the improvement of the railway situation. He pointed out that provision was made in the Bill for combining the offices of Chairman and President and for the separating of the two offices as the Directors might decide. It was felt that best results could be obtained if the Chairman himself were allowed to train and develop the man who would occupy the office of President and it was intended, therefore, that the two offices should be combined until such time as it was reasonably certain that they could be divided without endangering the operating efficiency of the Railway. Fortunately Canadian National Railways had a man who was not only outstanding as a railway executive but had the respect of the Canadian people and of railway labour and the confidence of the Government. Mr. Howe stated that the Bill was also intended to afford a much greater measure of autonomy to the Chairman and Board of Directors. Mr. Howe added that there could be no doubt that the Government had a mandate to do their utmost to improve the operating position of the Canadian National Railways so that there might be an end to the deficits that were so harmful to the credit of Canada. He declared that there had been a progressive departure all down the line from the high ideals of direction and management contemplated by the Duff Commission.

Mr. Bennett declared that the Bill should not be given second reading without affording the Trustees an opportunity to be heard. The measure

practically removed the Chairman from office and the reasons assigned were such that he had no opportunity to answer them. In conclusion, Mr. Bennett declared that the Bill did not contemplate anything that made for the benefit of the road or for lessening the burden on the taxpayer. The Hon. C. H. Cahan strongly objected to the omission of the Section in the previous Act which provided that no Trustee should be removed from office unless for assigned cause and on address of the Senate and the House of Commons.

The Prime Minister declared: "When the Government are held responsible for the success or failure of a great industrial enterprise they surely should have the right to have as Directors of that enterprise persons in whom they have confidence. Otherwise we would not have responsible government in a true sense. I wish to repeat that the linking up of the Senate with the House of Commons in the control of everything which relates fundamentally to the finances of the country is a wrong principle and has always been recognized as such." Later, Mr. King said: "The whole question of a new enactment with respect to the Canadian National Railways was presented to the people in the last General Election. The authority of the present Administration in this matter is an authority which has been derived from the people of Canada as a whole, in no mistaken way, and we intend to exercise that authority in the light of the responsibility so placed upon us." Concluding Mr. King said that the Administration were prepared, in so far as they were able, to secure the necessary power and authority to take full responsibility for the legislation which they were proposing; and if it could be avoided they were not going to be tied with respect to what they deemed to be necessary and in the public interest, "by any clause in any Act or agreement which says that with respect to great transactions involving the finances of this country, this House of Commons is to be controlled by the other House of Parliament. It will, in so far as that is possible, be controlled solely by its own Members, in the full exercise of ministerial responsibility."

When the Bill came before the Senate, Mr. Meighen, Conservative Leader, denied the Prime Minister's statement that the Government had a mandate to deal with the matter. On June 19 the Bill with a few minor Amendments received its third reading in the Senate on division. Other Bills were passed restoring the firm of George A. Touche and Company, Montreal, as auditors; authorizing the provision of money to exceed $9,959,000 to cover construction and betterments in 1936, and also permitting the Canadian National to build a new line into the Noranda mining territory at a cost of $5,940,000.

The Canadian Broadcasting Act, 1936

By the 1936 Act The Canadian Radio Broadcasting Act of 1932, setting up the Canadian Radio Broadcasting Commission, was repealed and a Canadian Broadcasting Corporation consisting of nine governors, a general manager and an assistant general manager was created to replace the Commission of three members. The subject had been studied by one Royal Commission and three Parliamentary Committees. Four reports agreed on the general principles which should govern and these conditions were maintained in the Act. The corporation was modelled mainly after the British Broadcasting Corporation with some additional powers. Under the Act the Corporation was empowered to prescribe the proportion of time devoted to political broadcasts and to assign such time on an equitable basis to all parties. Dramatized political broadcasts were for-

bidden. Political broadcasts on any Dominion, Provincial or Municipal election day and on the two days immediately preceding such election day were forbidden.

Shipping Acts of 1936

The Hon. C. D. Howe, Minister of Marine, introduced on Apr. 22, a Bill to amend the Canada Shipping Act, legislation which had been passed in 1934 but never put into operation. It had been deemed advisable to allow the shipping interests of Canada a reasonable time in which to become familiar with the proposed changes and also to enable the Department of Marine to prepare the regulations called for by the Act. The 1936 Act was not extensive; it was largely for the purpose of clarifying the intent and meaning of the 1934 measure and rendering it more effective in its application. The 1936 Bill received the Royal Assent on June 23. The Canada Shipping Act was proclaimed on Aug. 1, 1936.

The Water Carriage of Goods Act, 1936, modelled on the British Carriage of Goods Act, 1926, repealed the Water Carriage of Goods Act, 1910. The Minister of Marine explained in introducing the Bill the many reasons why Canada should adopt the measure. Every shipping interest in Canada, he said, had applied to the Government to take this action. An Act similar to the 1936 Canadian legislation had been put into force recently in the United States. The Bill became Chap. 49 of the 1936 Statutes of Canada; it included a long schedule of rules relating to Bills of Lading. The Act came into force on Aug. 1, 1936.

The Criminal Code Amendment Act, 1936

The famous Section 98 of the Criminal Code respecting unlawful associations was repealed during the 1936 Session by Bill No. 96, which also included other Clauses. It received the Royal Assent on June 23. The Minister of Justice, the Hon. Ernest Lapointe, when the Bill was up for second reading on June 19, described the circumstance of the enactment of Section 98 in 1919 during a period of numerous strikes and general unrest. "Since then continuous attempts have been made for the repeal of that Section. It is suggested occasionally, and it was suggested in the Debate of 1933, that these applications come from disorderly elements. May I say that they come from all classes of the community, and more particularly from organized labour in Canada. The Trades and Labour Congress of Canada at every Annual Meeting has passed a Resolution asking for the repeal of this section. While I was Minister of a former Government, whenever a delegation of the Trades and Labour Congress of Canada met the Government of the day, the request was urgently pressed that Section 98 should be repealed. All the railway brotherhoods, such as the engineers and conductors, have been asking the same thing. No one was more persevering in that demand and more eloquent in presenting it than Mr. Tom Moore, who was then President of the Trades and Labour Congress of Canada. I have myself presented to the House on four or five occasions a Bill for the repeal of this Section. On two occasions the Bills passed this House unanimously, and on the other occasions the Debates were mild as regards the way they were conducted; but the Bills were rejected by the other House."

War Veterans Acts of 1936

Four enactments of the 1936 Session of Parliament related to Ex-Service men's problems. An Amendment to the Pension Act provided chiefly for the hastening of appeals. The War Veterans' Allowance Act

established a Board of three members empowered to consider and adjudicate upon all questions relating to the award, increase, decrease, suspension or cancellation of any allowance under the Act or for the recovery of any overpayment which might have been made; and provided for the payment of allowances with the approval of the Board to any veteran who had attained the age of sixty years or who, in the opinion of the Board, was permanently unemployable by reason of physical or mental disability, or, having served in a theatre of actual war, had attained the age of fifty-five years and was incapable of maintaining himself because of disability, pre-ageing and general unfitness and in either case had for the six months immediately preceding been domiciled in Canada.

The Veterans' Assistance Commission Act established a Commission of three members with head office at Ottawa whose duties included the carrying out of an investigation to ascertain the extent of unemployment among veterans in Canada and to classify those who were unemployed according to physical and mental capacity or incapacity to undertake gainful employment in restricted and unrestricted occupations, and in any other categories which, after the investigation, the Commission might consider applicable. The Commission was also empowered to study and report upon employment possibilities for the several classes of veterans and to co-ordinate and co-operate, in efforts towards the registration, classification and employment of veterans, with the National Employment Commission, with Provincial Governments or agencies thereof, with veterans' associations; and with commercial, agricultural or industrial groups.

A Bill introduced by the Hon. T. A. Crerar on Mar. 20 amended the Soldier Settlement Act to provide that: "Any settler or person indebted in respect of any contract or agreement made prior to the first day of January, 1933, under the provisions of this Act who after Mar. 31, 1933, and up to and including Mar. 31, 1938, should make payment of any arrears or of any instalment due and payable within the said period should, subject to the provisions of this Section, receive credit toward payment of arrears or on the balance of such instalment or any other such instalment for a further sum equal to the payment made."

Election Changes, 1936

The Hon. Fernand Rinfret, Secretary of State, introduced a Bill on Feb. 12 to amend the Dominion Franchise Act by postponing for one year the annual revision of the Voters' lists. It passed with little discussion as the Government intended to bring in a Bill to amend the Election laws. A Special Committee of 30 members was appointed on Mar. 3 to study the Act and the Dominion Elections Act. On Mar. 5 the Hon. Ernest Lapointe, Minister of Justice, moved that this Committee should be instructed to study and make a report on the methods used to effect a redistribution of electoral districts in Canada and in other countries and to make suggestions to the House in connection therewith. On May 29 Mr. Rinfret introduced a Bill to amend the Dominion Elections Act, 1934, to meet the claims of certain Members that By-Elections were not being provided for. The Bill passed the House on June 12, Mr. Rinfret giving the assurance that it would be applied solely to By-Elections before general Amendments to the Act might be made. He said that this Bill and the Bill to amend the Dominion Franchise Act, 1934, had come as a result of a unanimous Report by the Special Committee dealing with the whole question of electoral reform. After considerable technical discussion the Bill to amend the Dominion Franchise Act, 1934, was passed on

June 15. It became Chap. 36 of the Statutes of Canada, 1 Edward VIII. It may be cited as The Dominion By-Elections Franchise Act, 1936. Part of the qualifications of a voter were changed to read: "(c) has been ordinarily resident in Canada for at least twelve months and was ordinarily resident in the electoral district in which the pending By-Election is to be held not less than three months immediately preceding the date of the issue of the writ of such By-Election."

Miscellaneous Acts of 1936

Six Departments of the Government were officially consolidated under two Ministers by twin Bills introduced on June 2 by the Prime Minister. Railways and Canals and Marine, were combined under the Minister of Transport, the Hon. C. D. Howe. Interior, Mines, Immigration and Colonization became the Department of Mines and Resources under the Hon. T. A. Crerar.

The Copyright Amendment Act, 1936 was the outcome of the Report of the Commission of Inquiry into the whole question of fees, charges and royalties, conducted by His Honour, Judge Parker (see elsewhere in this Volume). The Act stipulated that performing rights associations should file with the Government, from time to time, lists of all dramatico-musical and musical works in current use in respect of which authority was claimed to collect fees or to grant performing licenses. The Act constituted a Copyright Appeal Board of three members one of whom should be Chairman; the Board had the right of seeking aid in an advisory capacity from persons having technical or special knowledge of musical matters and other questions coming before the Board.

A Bill to amend the Customs Act in order to carry out the undertakings in the Canada-United States Trade Agreement and the settlement of the Trade dispute with Japan received the Royal Assent on June 2, 1936. Another Bill amending the Customs Tariff to conform with the Budget items of 1936, received the Royal Assent on June 23, 1936.

A Bill to repeal The Economic Council of Canada Act of 1935, introduced on Feb. 27 by Mr. J. F. Pouliot (Lib., Temiscouata) passed the House almost without discussion. In reply to a question Mr. King said: "This measure comes under the Prime Minister. The Act provides for the appointment of an Economic Council to advise the Prime Minister. I am quite satisfied with my own Council; I do not think I need an Economic Council to tell the present Government what is necessary in the way of legislation. The present Government is in a position to command at any time the services of any members of the Public Service. It seems to me wholly superfluous to have on the Statute book a law which obligates the Government to bring together a number of the members of the Public Service and constitute them into an Advisory Council, when members of the Public Service have enough to do in their own Departments if they are doing their work properly."

The Customs Act, 1927, was amended to give the Royal Canadian Mounted Police greater powers for the suppression of smuggling; the changes did not alter the extent of Canadian waters but for Customs purposes defined the distance from shore in which Customs officers might exercise their powers as "that part of the sea which is adjacent to and extends nine marine miles beyond Canadian waters."

A Bill introduced by Mr. Dunning on Mar. 26 to guarantee loans made to or guaranteed by the Province of Saskatchewan for purchasing seed grain and providing other assistance to farmers in connection with

seeding operations during the Spring of 1936 was passed after a brief discussion. The guarantee was limited to $4,000,000.

The Canadian and British Insurance Companies Act, 1932, was amended to provide that the annual general meeting of every company and of every fraternal benefit society should be held in Canada and that a majority of the Board of Directors of every fraternal benefit society should at all times be persons resident in Canada. The penalty for transacting insurance without registration was a fine not exceeding $5,000 in case of a company and not exceeding $1,000 in case of a person acting on behalf of a company or society and, in addition, in the case of a natural person, imprisonment not exceeding six months.

At the request of the Council of Social Welfare the Juvenile Delinquents Act was amended to provide that when a person was prosecuted for an offence committed while he was a juvenile and which was discovered subsequently, the six months' proscription under the Criminal Code would not apply. On June 20 a Bill was passed to create a National park in each of the Provinces of Nova Scotia and Prince Edward Island. In the former it is located in the northern part of Cape Breton.

The Indian Act, 1927, was amended to place more restrictions on the giving of intoxicants to Indians and to strike out the provision which gave an informer part of a fine. A Section proposing to place more restrictions on "potlatch" was dropped.

The Dairy Act, 1927, was amended to make legal the sale of butter in quarter pound, half pound, one pound or multiples thereof but this should not apply to butter of indiscriminate weight made by individual farmers and sold by them; the cheese Section was amended similarly.

Other Bills were passed respecting the Canadian National Railways and to authorize the provision of moneys to meet certain expenditures made and indebtedness incurred during the calendar year 1936, not to exceed the sum of $9,959,000; to authorize the raising, by way of loan, of certain sums of money for the Public Service, not to exceed altogether the sum of $750,000,000; to extend the Agreement with the City of Ottawa for one year in relation to the Government's share of improvements; to provide that there should be deducted from the compensation of every member of the public service of Canada during the year ending Mar. 31, 1937, five per cent. of the amount thereof except that such deduction should not apply to compensation which was not more than $1,200 per annum; to declare that the powers of the Toronto Harbour Commissioners included and always had included the power to borrow money from time to time to redeem debentures and to issue debentures for money so borrowed; to provide for certain stated salaries for judges; to amend the Income War Tax Act; to amend the Special War Revenue Act; and to amend the Excise Act. Six Appropriation Bills received the Royal Assent.

The B.N.A. Act Amendment Resolution

The Hon. Ernest Lapointe, Minister of Justice, moved in the Commons on May 14, 1936, that a joint address of the Senate and Commons should be presented to His Majesty the King asking consent to submit to the Parliament of the United Kingdom of Great Britain and Northern Ireland a measure to amend The British North America Acts, 1867 to 1930, and The British North America Act, 1907, respecting two particular matters: (1) relating to taxation and (2) enabling the Government of Canada to guarantee debts of the Provinces of Canada.

The first provision of the suggested Amendment referred to indirect taxation within any one of the Provinces in order to raise revenue for Provincial purposes; the power granted to be deemed to have retroactive effect with respect to Provincial legislation in force at the passing of the Act. The second provision was that the Parliament of Canada might authorize the Government of Canada to guarantee the payment of the principal, interest and sinking fund of any securities (hereinafter called "guaranteed securities") that any Province might from time to time make or issue; and that the Legislature of any Province might authorize the Government of that Province to enter into an arrangement with the Government of Canada whereby the latter should guarantee the payment of the principal, interest and sinking fund of such securities.

For the purpose of securing Canada against loss resulting from the giving of a guarantee under the authority of the Act, the Government of Canada, whenever in their opinion any default had occurred in respect of any payment on account of principal, interest or sinking fund of the guaranteed securities, might: (a) withhold any payment to the Province on account of any grant payable by the Government of Canada to the Province for its local purposes or for the support of its Government and Legislature or on account of interest in respect of its public debt or in lieu of public lands or on any other account whatsoever; (b) effect payment in whole or in part of any such grant by payment direct to a creditor of the Province of any amount owing to such creditor on account of the guaranteed securities. "In this and the next succeeding paragraph 'creditor' shall include a trustee of a sinking fund"; (c) out of any revenue received or collected by the Government of Canada or any Department or officer thereof for or on behalf of the Province, make payment direct to a creditor of the Province of any amount owing to such creditor on account of the guaranteed securities.

The Legislature of any Province might charge the principal, interest or sinking fund of the guaranteed securities on any revenue of the Province, upon terms that such revenue should, if the Government of Canada so required, be disbursed exclusively in payment of such principal, interest or sinking fund and might, if the Government of Canada so required, provide for the depositing of all funds from the revenue so charged in a trust account in a bank or banks for the purpose of implementing the said charge.

Mr. Lapointe explained that the Resolution was the result of deliberations and discussions which took place at the Dominion-Provincial Conference of 1935 and at meetings of various sub-conferences and committees subsequently held. The two subjects dealt with in the Resolution were of particular urgency because of the serious financial difficulties in which some of the Provinces had found themselves during the previous two or three years. The Motion was adopted on division, without a recorded vote after ten Members had taken part in a Debate which occupied the greater part of two sittings of the House.

The proposed joint address was presented to the Senate on May 19 by Hon. Raoul Dandurand who moved that the Senate should unite with the House of Commons in the address. The Motion was opposed by the Rt. Hon. Arthur Meighen (Conservative Leader) who explained that he did not approach the subject in a spirit of hostility toward the Administration. There was no more harassed or harder worked man in the Dominion than the Minister of Finance, he said, but "from the mire and the underbrush into which, by this proposal, he is about to plunge he will find extrication vastly more difficult than from any of the difficulties with

which he is surrounded now." He added that other methods, some of them already tried, none of them attractive, were vastly better than this proposal. On May 26, the Hon. J. J. Donnelly moved that the Resolution should be referred to the Banking and Commerce Committee. On the following day the Amendment of Mr. Donnelly was agreed to. The Committee reported on June 3 that the portion of the Resolution conferring on the Provinces certain powers of indirect taxation should not be adopted. The Hon. F. B. Black moved that the Report should be concurred in and his Motion was carried on a vote of 49 to 10. On June 10 the Hon. A. C. Hardy said that he could not support the address as it stood, largely because it might set up means by which one Province could discriminate against another by way of indirect tariffs. He therefore moved an Amendment to add the following words: "provided that such taxation does not favour or discriminate against the sales of any goods or articles, the growth, produce or manufacture of any Province or of any country." Mr. Dandurand explained that he had consulted his colleagues in the Government about the objections raised in the Senate to the address, in particular, that it was inopportune to open the field of indirect taxation to the Provinces, and the result of his conference was to be found in the Amendment moved by Mr. Hardy. After further debate that Amendment was negatived on a straight Party vote of 15 Liberals to 40 Conservatives. The Motion to unite with the Commons in the Address was lost on the same Party division.

Special Committees of the Senate, 1936

A Special Committee of the Senate was appointed on the Motion of the Hon. F. B. Black on Mar. 26, 1936, to consider and report on the operations of The Government Annuities Act. The Report, presented on June 9, stated that the mortality tables used by the Annuities Branch were obsolete; that the Public Treasury was losing a very large amount of money estimated by the Branch to be about $400,000 annually; that the evidence submitted by others indicated that the annual loss was probably greatly in excess of that amount; and that the interest rate upon which the annuities were based by the Government, namely 4 per cent. was, at the time the measure was enacted, a reasonable rate but since then changes in money rates had made it necessary for the insurance and other annuity groups to reduce their rates while the Government rate had remained unchanged. While there were differences in the method of computation yet all the evidence agreed that the Government interest rate was entirely too high. The Committee recommended (1) that up-to-date mortality tables should be obtained and used by the department, to be revised from time to time to keep them up-to-date; (2) that the interest rate upon which the annuities were based should not exceed 3½ per cent., this to include cost of administration, salaries and commissions, if any; (3) that the interest rate should be subject to change from time to time in accordance with the cost of money as was done by the British Annuities system and (4) that a continuous audit be maintained for the Minister in charge of Annuities and the Minister of Finance. In supporting the Report Mr. Black said that it would be in the interest of the Annuities Branch and of Canada as a whole that additional contracts should not be issued at the present rates. The Report was adopted on June 18.

Another Special Committee of the Senate was appointed on May 14 to consider a Bill to enable the establishment of free foreign trade zones by provinces and municipalities or by public agencies of either.

On June 3 it heard three witnesses. The first was Major George Washington Stephens, former President of the Governing Commission of the Saar, former First President of the Montreal Harbour Commission, former member of the Quebec Legislature and joint author of a Report on British and Continental Ports. As a young man in 1888 he had been apprenticed to a large importing house in Hamburg, Germany, which was building up a modern free port zone. A later visit to England and again to Hamburg quickened his interest and he had studied the question carefully. His conclusion was that if Canada adopted the free port idea she would become the great bonded warehouse area not only for Canada but for the continent of North America. Mr. A. L. W. MacCallum presented for the Shipping Federation of Canada a statement which concluded that the need for free ports in Canada was a matter on which merchant interests could speak with greater authority than representatives of ocean cargo carriers. Mr. W. McL. Clarke for the Canadian Chamber of Commerce presented a statement, declaring that it was not prepared at present to support legislation for free port areas in Canada but if desired would study in greater detail the whole question. Representatives of the Department of National Revenue answered on June 4 questions relating to Customs and other regulations. The Committee reported in favour of the Bill. The evidence was printed in pamphlet form. The Free Zone Bill came before the Commons on June 19, but Mr. Ilsley, Minister of National Revenue, said that it was so late in the Session that proper consideration could not be given to a Bill of that importance. He therefore moved adjournment of the Debate which practically killed the Bill for the Session.

Special Committees of the House of Commons, 1936

During the Session of 1936 three Special Committees of the House of Commons were appointed to deal, respectively, with Elections and Franchise Acts; Pensions and Returned Soldiers' Problems; and Radio Broadcasting. There was also appointed a Special Select Committee to investigate and report on the marketing of wheat and other grains under guarantee by the Dominion Government.

The Special Committee appointed on Feb. 21 to study the Dominion Elections Act 1934 and the Franchise Act 1934 was also instructed to study and report on (a) the proportional representation system; (b) the alternative vote in single-Member constituencies; (c) compulsory registration of voters and (d) compulsory voting. The Members appointed on Mar. 3 comprised 22 Liberal, five Conservative, one C.C.F., one Social Credit and the Reconstruction Member. Mr. C. E. Bothwell (Lib., Swift Current) was elected Chairman. The Committee held 24 meetings and examined four witnesses. In its Report presented on June 11 the Committee recommended that unless and until conclusive evidence could be adduced that the adoption of either or both of the systems in Canada would be conducive to good government neither proportional representation nor the alternative vote in single-Member constituencies should be adopted by the Parliament of Canada. The reappointment of the Committee during the 1937 Session was recommended in order to complete the work on the reference respecting methods of effecting redistribution. Several meetings had been devoted to the study of compulsory registration of voters and compulsory voting but further investigation was necessary, the Report stated. The Committee heard four witnesses from British Columbia asking that the franchise be extended to Canadian citizens of

Japanese origin but much further evidence was necessary before it could make any findings.

Three Bills, No. 26 to amend the Pension Act, No. 27 to amend the War Veterans' Allowance Act and No. 28 to assist towards the employment of former members of the Forces were referred to the Special Committee on Pensions and Returned Soldiers' Problems on Apr. 1. The Committee held 34 meetings and examined 32 witnesses. Representatives of the following veteran organizations were heard: Canadian Legion, Dominion, Alberta, British Columbia, and Saskatchewan Commands and Tubercular Veterans' Association and Imperial Section, Alberta; also the Amputations Association of the Great War, Army and Navy Veterans Association in Canada, Canadian Pensioners' Association, Ex-Prisoners of War Association and Canadian Corps Association. In addition to numerous individual representations, communications were received from 22 other soldiers' organizations including South African Veterans and Veterans of the North-West Rebellion. The Report stated that the information given was invaluable and afforded the greatest assistance in arriving at certain definite conclusions. One result was that the draft Bills originally submitted to the Committee were revised in many particulars.

A special Committee of the House, on motion of the Hon. C. D. Howe, Minister of Marine, was appointed on Mar. 19 to inquire into the operations of the Canadian Radio Commission and its administration of the Canadian Radio Broadcasting Act, 1932, and also Amendments and the regulations made under authority thereof; to advise what changes, if any, should be made in the existing system of radio broadcasting; to inquire into the extent to which there was abuse of broadcasting privileges, either for political or advertising purposes and to advise as to what principles should govern the regulation thereof. This Committee held 25 meetings and heard 37 witnesses, including three Members of Parliament. The outstanding features of the public hearings were the investigations into the so-called "Mr. Sage" programmes broadcast on behalf of the Conservative Party during the General Election campaign and the submission by The Canadian Press who sought cooperation in the more frequent daily broadcasts of news furnished free for that purpose by The Canadian Press. The Commission, subjected to criticisms on grounds of inefficiency and bad business operations, was strongly defended by Mr. Hector Charlesworth (Chairman) and his associates who claimed that the files of the Commission held ample evidence that its efforts had met with popular approval. An unanimous Report was presented to the House on May 26 by Mr. A. L. Beaubien (Nat.-Prog., Provencher). It endorsed the conclusion reached in 1934 that "the establishing of national broadcasting in Canada presents many difficulties for the correction of which time, experience and large expenditures of public money will be necessary." It recommended that the Canadian Radio Broadcasting Act, 1932 should be repealed and that a new Act should be substituted which would place the direction of broadcasting in the hands of a corporation with an honorary board of nine governors to operate through a general manager. It also recommended a loan of $500,000 to the Corporation in order to provide for the establishment of new stations. These and many other recommendations were embodied in the Bill Respecting Broadcasting which later became Chap. 24 of the Statutes, 1936.

The Hon. W. D. Euler moved, Mar. 18, that a Special Select Committee of 23 Members should be appointed to study and report on the marketing of wheat and other grains under guarantee by the Dominion

Government and upon all matters pertaining thereto. The Committee included 17 Liberals, largely from the West, and also Mr. Bennett, the only Conservative from Alberta, Mr. Perley, the only Conservative from Saskatchewan and Mr. Beaubier, the only Conservative from Manitoba. The C.C.F. was represented by Mr. Coldwell and Social Credit by Mr. Fair. In reply to Sir George Perley, the Prime Minister said that this was the investigation for which Mr. Bennett had asked on Feb. 12. The Report of the Committee which was unanimous was presented on June 11, and concurred in on May 17, 1936. The Committee held ten sessions and examined under oath three witnesses, namely, A. E. Darby, Secretary of the Winnipeg Grain Exchange, who described the constitution and membership and the handling of grain from the producer to the exporter; F. O. Fowler, Manager, Winnipeg Grain and Produce Exchange Clearing Association and J. R. Murray, Chief Commissioner of the Canadian Wheat Board, Winnipeg. The latter explained fully the operations of the Board since its appointment on Dec. 3, 1935. He was examined closely with particular reference to (a) to what extent, if any, the Board had favoured exporters of grain and Canadian millers in its sales policy and (b) to what extent, if any, speculative interests alleged to be short in the Winnipeg market had been permitted to cover their transactions in the large sales made in the month of December, 1935, immediately following the higher price fixed by the Argentine Government for Argentine Wheat. The Committee was of opinion that the course taken by the Board in the marketing of wheat was consistent with the intention of Parliament in enacting the Wheat Board Act of 1935 and with the policy of the Government to reduce the wheat surplus to reasonable proportions. While there was a short interest in the Winnipeg wheat market in December of 1935 no evidence was produced that would warrant the conclusion that speculative short interests were protected by the Board in that month. As the Committee found it impracticable to obtain conclusive evidence on this point it recommended the appointment of a Royal Commission to make a complete survey of the whole situation and to consider generally, what measures should be taken to retain and enlarge markets for Canadian wheat throughout the world. In compliance with the Report the Government on June 27 appointed the Hon. W. F. A. Turgeon, Judge of the Court of Appeal of Saskatchewan, to be a Commissioner under Part I of the Inquiries Act to inquire into and report upon the subject of the production, buying, selling, holding, storing, transporting and exporting of Canadian grains and grain products and other questions incident to such matters.

Other Incidents of the Session of 1936

When the Senate met on the morning of Feb. 6, 1936, the Hon. W. E. Foster rose and announced that a Commission issued under the Great Seal had appointed him Speaker of the Senate. After the Commission was read the Speaker took the Chair, whereupon the eighteen newly-appointed Senators were severally introduced and took their seats. (See elsewhere in this Section).

Mr. M. J. Coldwell (C.C.F., Rosetown-Biggar) moved, on Feb. 26, 1936, that the Government should consider the advisability of national ownership and control of the Bank of Canada and the chartered banks. "I am against this Resolution," said the Minister of Finance, "or any other similar Resolution proposing to take over, without regard to anything else but the establishment of a Socialist state, the operation of business within Canada. We have already gone far in this country and we may

be compelled to go further but for my part the going will be slow." The Motion was negatived on division.

Mr. Hermas Deslauriers (Lib., Saint Mary) moved, on Feb. 27, 1936, that the problem of small property holders in cities should be the subject of study in order to determine whether it was not opportune and equitable that they should receive the full consideration to which they were entitled. He said that week after week small property owners in Montreal were being despoiled by loan companies established by New York and Chicago racketeers. If the Government could render assistance to the farmers, he thought that the small property owners in the cities were just as deserving of the Government's sympathy. The Hon. Fernand Rinfret, Secretary of State, stated that there was legislation to lend large sums for the construction of wholesome homes in cities; but that the State could not compete against private property holders. Bearing that reservation in mind he said that the Government would accept the Motion.

Mr. Denton Massey (Cons., Greenwood), moved on Mar. 9, 1936, that the Government should consider the desirability of studying the broad question of the re-establishment of the young men and young women of Canada; that in the conduct of such investigation, attention should be given to the question of making available to those of Canada's youth who were adapted for such training and who otherwise would be denied it, technical training in various branches; and that consideration should be given to the feasibility of setting up and maintaining a National Youth Re-establishment Commission. The Resolution was supported by Messrs. T. C. Douglas (C.C.F., Weyburn), Daniel McIvor (Lib., Fort William), Jean-Francois Pouliot (Lib., Temiscouata), and Miss Agnes C. MacPhail (U.F.O., Grey-Bruce). Mr. N. M. Rogers, Minister of Labour, said that the general objects of the Resolution were not a matter of controversy but the problem of youth was cumulative. It should have been studied in each of the last five years during which it was building up to its present staggering proportions. The Resolution was adopted without a dissenting voice.

Land settlement as a means of unemployment relief was both praised and condemned in the House on Apr. 29 when Mr. Rogers, Minister of Labour, sought approval of a vote of $500,000 for that purpose. Mr. Rogers announced that during the Summer he would look into some of the projects that had been undertaken.

On the vote of $3,527,125 for the Trans-Canada Highway Mr. Rogers stated on Apr. 30 that the Highway could be completed as a through route by the Autumn of 1938. The estimated cost to the Dominion Government on a fifty-fifty basis of completing the Montreal-White River gap in Ontario, etc., would be $8,390,650 plus the unexpended balance of the current fiscal year estimated as $555,250. The estimated cost to the Dominion Government of completing the Big Bend gap in British Columbia entirely at Dominion expense would be $1,950,000 exclusive of the cost of maintenance during construction.

A vote of $300,000 to aid, in co-operation with Provincial Governments, in re-establishing needy fishermen, was declared, Apr. 28, 1936, by Mr. R. E. Finn (Lib., Halifax) to be a useless sum which could not be effective.

Referring to the vote of $3,100,000 to reimburse the two railways for providing employment on maintenance of way and betterments during 1936, Mr. Howe, Minister of Railways, explained, on May 4, 1936, that the

Government had agreed to provide up to 5,000 men for each railway; that the men would be employed by the railways at the standard rate of wages for the class of work they might be called to do and that the Government would pay in full the wages of the men while thus employed by the railway on that particular class of work. "You may call it," said Mr. Howe, "a gift from the Government if you like." On the item of $958,417 to provide for commitments in the removal of railway grade crossings Mr. Howe explained that $26,974 had been expended during the previous year out of a vote of $1,000,000; that it was really a re-vote of the previous year's item.

The Hon. T. A. Crerar, Minister of Mines, told the House on May 29, 1936, that a programme of road-building into metal-mining areas of Ontario, Quebec, Saskatchewan, Manitoba and British Columbia would be undertaken in co-operation with the Provinces. An appropriation of $1,500,000 to cover the Dominion's share was voted.

The Hon. Ian Mackenzie, Minister of National Defence, announced on May 30, 1936, that the Government would start consideration in a month or two of the Trans-Canada air route. He also announced that Brigadier Clyde Caldwell of Ottawa had been appointed Master-General of the Ordnance to survey the industrial and economic resources of Canada with a view to mobilization in case of trouble.

Representatives of both railways appeared before the Commons Committee on Railways, Telegraphs and Harbours on June 12, 1936. Mr. Fullerton, Chairman of the Canadian National Railways expressed the belief that there was no hope of the C.N.R. overtaking its deficits merely by economies and co-operation with the C.P.R. He said that the only relief lay in increased traffic. He calculated that if 5,000 miles of road were abandoned, as suggested, the saving at $1,000 a mile would be only $5,000,000 which would make no great reduction of deficit. His technical officers, he said, had placed the saving by unification of the two railways at $15,000,000 for both. Mr. J. E. Armstrong, assistant chief engineer of the C.P.R. said that in three years of effort to achieve co-operative economies, only 10 miles of line had been abandoned but that further projects were being studied.

Mr. D. C. Coleman, Vice-President of the C.P.R., before the same Committee, agreed with the statement made by Sir Edward Beatty some years before that unification of the two systems would effect a saving of $65,000,000. He declared that both companies had laboured diligently and harmoniously to effect economies by co-operation; that up to 1936 arrangements had been made to save $1,100,000 a year for both companies; that executive officers of both systems had approved plans to save $500,000 more annually and had recommended other arrangements to save $25,000 a year; that economies had been effected by pooling passenger trains between Montreal, Toronto, Quebec and Ottawa and by consolidating numerous stations.

Prorogation, 1936

The First Session of the Eighteenth Parliament closed on June 23, 1936. The Hon. Thibaudeau Rinfret, Judge of the Supreme Court of Canada, as Deputy of His Excellency the Governor-General, read the Speech from the Throne. He gave a *resumé* of the more important measures enacted during the Session including those implementing undertakings of the Trade Agreement with the United States and the settlement of the trade dispute with Japan: substantial reductions had been

made in the rates of duty on implements of production in the agricultural industry, and on machinery in other basic industries, as well as on articles of domestic consumption. "The pronounced increase of our trade during recent months is evidence of the beneficial effects of the Government's fiscal policies. My Ministers are continuing their efforts to expand trade with other countries." Attention was called to the following: the action taken with regard to the unemployment question and to the effort to be put forth in behalf of the single homeless men in relief camps—the latter to be closed on July 1, 1936; the provision to establish needy fishermen and for expanding the sale of Canadian fisheries products at home and in foreign markets; the economy measures consolidating important departments and branches of the Public Service; the appointment of two Royal Commissions to inquire into the textile industry and into anthracite coal; to the decision of the Supreme Court of Canada on the validity of several measures enacted by Parliament in 1934 and 1935. Concluding, the Speech stated: "My Ministers have given continuous thought to the serious international situation. They have sought to support by all appropriate and practicable means the establishment of a world order based on justice and equity. At the forthcoming meetings of the Assembly of the League of Nations to be held at Geneva at the end of the present month, and in September, the representatives of Canada will seek, in co-operation with other delegates, to further in the most effective way the aims and ideals of the League.

"His Majesty the King has graciously consented to unveil, on July 26, the memorial on Vimy Ridge, erected in commemoration of the valour and sacrifice of the Canadian soldiers who fought during the Great War. The acceptance by the King of the invitation of His Majesty's Canadian Ministers, and by the President of the French Republic of the Canadian Government's invitation to be present on this occasion has been deeply appreciated."

Appended is a list of Acts passed during the 1936 Session of Parliament (with the exception of the Divorce, Local and Private Acts) with their Chapter numbers:

Acts of the 1936 Session

CHAP.
1. Appropriation Act No. 1
2. Appropriation Act No. 2
3. Canada-United States Trade Agreement
4. Dominion Franchise Amendment
5. Economic Council Repeal
6. Income War Tax Amendment
7. National Employment Commission
8. Salary Deduction (continuance)
9. Saskatchewan Seed Loan
10. Soldier Settlement Amendment
11. Toronto Harbour Commissioners
12. Wheat Crop Equalization Payments
13. Appropriation Act No. 3
14. Agreement with Ottawa
15. Unemployment Relief and Assistance
16. Appropriation Act No. 4
17. Appropriation Act No. 5
18. Insurance Companies Amendment
19. Customs Act Amendment
20. Indian Act Amendment
21. C.N.R. Auditors
22. Bank of Canada Amendment
23. Canada Shipping Amendment
24. Canadian Broadcasting
25. C.N.R.-C.P.R. Act Amendment

CHAP.
26. C.N.R. Senneterre-Rouyn
27. C.N.R. Loan
28. Copyright Amendment
29. Criminal Code Amendment
30. Customs Amendment
31. Customs Tariff Amendment
32. Dairy Industry Amendment
33. Dept. of Mines and Resources
34. Dept. of Transport
35. Dominion By-Elections
36. Dom. Franchise (By-Elections)
37. Excise Amendment
38. Income War Tax Amendment
39. Judges Amendment
40. Juvenile Delinquents Amendment
41. Loan for Public Service
42. National Harbours Board
43. Nat. Parks, N.S. and P.E.I.
44. Pension Amendment
45. Special War Revenue Amendment
46. Unemploy. Relief 1936, Amendment
47. Veterans' Assistance Commission
48. War Veterans' Allowance Amendment
49. Water Carriage of Goods
50. Appropriation Act No. 6

Reports of Administrative Services

The following Sub-Sections include summaries of the Reports of the various Departments of the Government. The periods covered by these Reports are, in the main, for the two fiscal years, 1934-35 and 1935-36. In some cases, however, the 1933-34 Report is also included for the sake of continuity:—it indicates that *The Canadian Annual Review 1934* contained the 1932-33 Report. For the sake of brevity comparative statements are used wherever possible.

Administration of Justice

The total number of offences disposed of by the Criminal Courts of Canada during the year ended Sept. 30, 1936, was 42,541 (Report issued August, 1937), as compared with 39,506 in 1935; and 37,408 in 1934. Of these numbers, 6,482 were acquitted in 1936; 5,975 in 1935; and 5,724 in 1934, leaving 36,059 convictions in 1936; 33,531 in 1935; and 31,684 in 1934. Increases were shown in convictions in almost all the six main classes of crime in 1936 over 1935 and in 1935 over 1934, in contrast with a reduction in all classes in 1934 as compared with 1933, with no particular crime standing out in any one of the three years.

Convictions for non-indictable offences in 1936 were 377,706, as compared with 362,642 in 1935; and 328,744 in 1934. In 1936 offences against gambling laws were much higher, while breaches of traffic laws were down appreciably, whereas in 1935 traffic offences were much higher, as were offences against Revenue Laws, while convictions for gambling were down. In 1934 gambling and traffic offences were sharply higher.

Total convictions by Provinces for 1936, 1935 and 1934 were as follows:

	1936		1935		1934	
	Indict.	Non-Indict.	Indict.	Non-Indict.	Indict.	Non-Indict.
Prince Edward Island ..	75	956	59	924	88	733
Nova Scotia	1,147	5,593	1,002	4,818	992	4,216
New Brunswick	744	4,691	576	3,968	525	3,598
Quebec	9,497	111,254	9,354	118,499	7,687	115,313
Ontario	13,594	204,744	12,653	190,763	11,761	160,895
Manitoba	2,631	17,476	2,382	15,685	2,571	16,985
Saskatchewan	2,194	5,750	1,976	5,749	2,396	5,680
Alberta	3,138	8,810	2,424	8,398	2,708	7,896
British Columbia	3,021	18,349	3,088	13,759	2,946	13,369
Yukon and N.W.T.	18	83	17	79	10	59

The total number of juvenile delinquents brought before the courts during the year ended Sept. 30, 1936, was 8,768, a decrease of 629 or 6.04 per cent. from 9,397 in 1935; and a decrease from 9,448 in 1934. Major delinquents showed a decrease of 8.6 per cent. in 1936 as compared with 1935, while minor cases decreased 2.3 per cent. Slightly more than 96 per cent. of major delinquents were born in Canada.

Royal Canadian Mounted Police

The Reports of the Royal Canadian Mounted Police for the two years ended Mar. 31, 1935 and 1936, were submitted by the Commissioner, Maj.-Gen. James H. MacBrien. According to the 1935-36 Report the agreements with the Provinces of Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia and Prince Edward Island for the services of the Royal Canadian Mounted Police to enforce Provincial laws within the respective Provinces concerned, outside incorporated towns and cities, expired on May 31, 1935. All the Provinces concerned either carried on under the old agreements, signed, or signified their intention of signing new agreements.

The scope of work of the Force was extended during the two years under review and the establishment of two new branches was announced

late in 1935, including scientific investigation of crime, featuring the most modern instruments for ballistic, pathological and other phases of the work and a Directorate of training and education of the Force.

On Mar. 31, 1935, the Force numbered 91 officers and 2,148 non-commissioned officers and constables, 115 special constables, and 219 members of the Marine, or 2,573 of all ranks. On Mar. 31, 1936, the Force numbered 90 officers, 2,274 non-commissioned officers and constables, 136 special constables and 217 members of the Marine Section, or a total of 2,717 of all ranks, representing an increase of 144. The Statutes which were the major concern, numerically speaking, of the Force, were Excise, Customs, Railway, Indian, Juvenile delinquents, and the Opium and Narcotic Drug Acts. The total number of true cases under the heading of Federal Statutes in the year ended Mar. 31, 1936, was 9,514, as compared with 12,056 in the previous year. True cases under the Criminal Code numbered 19,736 as compared with 21,887 in the year ended Mar. 31, 1935. Under the Customs and Excise Acts true cases totalled 14,819, as compared with 13,760 the year before. The decrease under Federal Statutes was 2,542 in 1936 as compared with the 1935 period, while the decrease under the Criminal Code was 2,151. True cases under the Provincial Statutes were increased by 1,059. The aggregate number of true cases under all three Statutes in the year ended Mar. 31, 1936, was 44,069, a decrease of 3,634 from 47,703 in the previous year.

Penitentiaries

The Reports of the Superintendent of Penitentiaries for the fiscal years ended Mar. 31, 1935 and 1936, showed that there were in custody in seven Federal prisons on Apr. 1, 1935, a total of 3,552 persons and 4,220 in eight Federal prisons on Apr. 1, 1934, while the total remaining at Mar. 31, 1936 was 3,098 and at Mar. 31, 1935, 3,552. In 1936 there were 175 life prisoners and 33 who were sentenced to 25 years or more. Figures for 1935 were 191 and 26, respectively. The vast majority, however, 2,439 in 1936 and 2,854 persons in 1935, were serving terms of not more than 8 years and approximately 1,000 in 1936 and 1,009 in 1935 were serving two years. Of prisoners under 21 years of age there were 280 in 1936 and 325 in 1935; between 21 and 30 years, the number was 1,471 in 1936 and 1,677 in 1935. In 1935-36 and 1934-35, respectively, there were 1,934 and 2,165 single; 1,008 and 1,227 married; 130 and 144 widowed; and 26 and 16 divorced inmates of the penitentiaries.

Gross expenditures for the year 1935-36 totalled $2,677,105; revenue totalled $67,682, leaving a net total expenditure of $2,609,423. Figures for 1934-35 were $2,645,810, $75,865 and $2,569,945, respectively. Expenditures per convict *per annum* in 1935-36 and 1934-35, respectively, at the different institutions were as follows: Kingston, $635.10 and $664.15; St. Vincent de Paul, $675.25 and $579.59; Dorchester, $770.15 and $689.57; Manitoba, $1,036.60 and $736.14; British Columbia, $1,306.70 and $536.68; Saskatchewan, $934.40 and $748.57; and Collin's Bay, $1,616.95 and $1,536.56.

Incidents of insubordination at Kingston Penitentiary, which had begun at the close of the preceding year, continued during 1934-35. Demands were made for better food, more letter-writing privileges, safety razors and other toilet articles, daily and weekly newspapers, no reports of minor breaches of rules and regulations, more tobacco and baseball. The first appearance of disorder took place on May 3, 1934, but the convicts were soon brought under control after minor sabotage had been committed. Further disturbances took place on May 11 and 12 and again, on May 15, when serious damage was done by fire and

machines were deliberately smashed; and eight days later another fire was started by the convicts. On June 14, 1934, W. B. Megloughlin was succeeded by R. M. Allan as warden. The new warden found himself faced with the onerous task of bringing about a more satisfactory state of affairs. Elimination of deviation from the instructions, rules and regulations met with resentment from the more irresponsible convicts. On July 16, 1934, a vacant block of the prison was set apart for the segregation of selected convicts of known good behaviour; these were given certain privileges. This form of treatment was reported by the warden as productive of good results. On Feb. 16, 1935, preceding a period of untroubled management, evidence of renewed unrest became apparent. This gradually developed into open insurrection on Mar. 21, when several of the staff were seized and bound; and entrances to sections of the prison barricaded by the convicts. Considerable difficulty was experienced before the offenders were brought under control. During investigation later the convicts stated that the disturbance had been staged in order to gain further privileges.

In September, 1935, there were 23 convicts at Kingston Penitentiary who were classed as illiterate; 16 were promoted to the Grade School on Dec. 15; and 4 were promoted before Mar. 31. These convicts were able to read and write their own letters and to make use of the library books. Seventeen convicts tried the examination for High School entrance, 16 being successful, and 4 passing with honours. Six convicts successfully passed the examinations for Middle School. The Roman Catholic Chaplain reported that quite a large but a lessening number of convicts availed themselves of the abundant opportunity afforded to go to Confession and receive Holy Communion. He attributed this change for the worse to the relaxing of discipline generally and to the lowering of the dignity of religion in certain quarters within the Penitentiary during the past years. Convicts in custody totalled 1,217 during the year 1935-36, 967 of whom were not reported for any offence against prison rules or regulations. The warden reported that the treatment adopted in 1934 for convicts in the North-west Cell Block was still proving to be very satisfactory; and the disposition and manner of the convicts in the Penitentiary to be as good as could be expected. He pointed out that the comparatively small number reported for disobedience or offence against prison regulations indicated sane and humane management.

During 1934 and the early part of 1935 unrest was noticeable at Manitoba Penitentiary and steps taken to bring the situation under control were actively opposed by a few convicts. A disturbance on Apr. 2, 1935, was quelled quickly, but another on Apr. 27, was more serious, one convict being fatally shot while attempting to stab a guard, before the disorder was quelled. The situation at the Penitentiary had been satisfactory, the Report stated, since June 1, 1935.

The high standard of discipline for which St. Vincent de Paul Penitentiary was noted was maintained during 1934-35. Three outstanding exceptions marked the period, 1935-36. On Nov. 25, 1935, two convicts employed in the shoe shop attacked a keeper; subsequently before civil courts they were sentenced—one to life imprisonment and the other to a term of five years, consecutive to the term which he was serving at the time. On Mar. 18, 1936, a convict who had stabbed a fellow convict was taken before the civil courts, found guilty of causing grievous bodily harm, and sentenced to a term of fifteen years in the penitentiary.

The state of unrest reported during the year 1934-35 at Saskatchewan Penitentiary continued into the following year, culminating in a minor

émeute on May 27, 1935, when a percentage of the convicts remained in their cells at the afternoon opening of the prison. The leaders in this disturbance were segregated, after which the balance of the population settled down. No further disturbance marked the balance of the year 1935-36.

The sharp rise in the *per capita* cost *per diem* for the maintenance of convicts brings into relief the large expenditure for increased penitentiary staffs. Salaries for the year ended Mar. 31, 1934, amounted to $1,240,004.84, the prison population being 4,596 on Apr. 1, 1933. Staff and Administration expenditures for the year ended Mar. 31, 1935, amounted to $1,378,732.66, with a prison population of 4,220 on Apr. 1, 1934, decreasing to 3,552 on Mar. 31, 1935. Staff and Administration expenditures for the year ended Mar. 31, 1936, amounted to $1,439,784.60, with a prison population on Mar. 31, 1936, of 3,098.

Following the policy advocated for many years, the actual segregation of convicts under twenty-one years of age was brought into effect. This segregation included all "A" Class convicts and "C" Class convicts under twenty-one years of age. This segregation necessitated the detailing of specially selected officers to supervise the young convicts; this was one of the reasons for the retention of officers in excess of the minimum authorized establishments.

The wardens of penitentiaries did not report any improvement in 1935-36 in the conduct and deportment of convicts, due to the allowance of remuneration. The Chaplains did not report that there was any apparent effect on the reformation of convicts. During the calendar year 1934, $14,010 was allowed to convicts on release from the several penitentiaries. During the calendar year 1935, which was the first year of the allowance of remuneration to convicts, the amount of $40,884.02 was allowed on release, which clearly indicates that well-behaved convicts have been appreciably assisted by the change of policy.

All wardens spoke highly of the welfare work with discharged convicts which was being carried on by the Salvation Army. It was apparent that the organization had increased its efforts, and was assisting more discharged prisoners in Canada.

Lieut.-Col. P. A. Piuze, Warden of St. Vincent de Paul Penitentiary, was delegated to visit England, France and Belgium and report on prison management in those countries, as well as to attend the International Penal and Penitentiary Congress, Berlin, Germany, in August, 1935. A particular study of the Borstal Institutions in Great Britain and other countries was made. His Report included comparison of Canadian penitentiaries with those in Europe as well as recommendations. In Canadian penitentiaries, favourable comparisons were made with European institutions, with regard to industries and teaching of trades. Lieut.-Col. Piuze said: "Different workshops in Canada are much superior and much more modernly equipped. The feeding of convicts in our penal institutions is much superior. In certain countries, privileges are very limited, and in this regard, it is considered that the English system is most adequate. Prisoners are graded, and privileges may be enjoyed when stages have been reached. Prisoners must earn privileges by their good conduct, industry and dispositions. Having in view the procedure adopted and followed in European countries, it would appear that, in this country, privileges are allowed too soon after admission, and may not, therefore, be appreciated at their just value. With our present system, young and first offenders, recidivists and hardened criminals all receive the same

treatment upon admission. It is of the utmost importance that classification of convicts be commenced as soon as possible, when proper accommodation is made available. Our cellular system, with barrier doors, is most unsatisfactory, in many respects. It renders supervision very difficult, and ill-disposed convicts are at liberty to exercise their pernicious influence over others, during talking periods."

Included among Lieut.-Col. Piuze's recommendations were the following: "That St. Vincent de Paul penitentiary be used exclusively for recidivists and hardened criminals, and that such a class of convicts, from all penitentiaries, be congregated in a separate institution, where they would be subjected to special discipline and treatment. That the Laval building when sufficiently completed be made two distinct prisons, divided by a central wall; that one part of these buildings be reserved for first offenders, who would be taught the following trades: tailoring, shoemaking, bookbinding, laundering, farming, electricity and motor mechanics; that the other half of the buildings be used for young convicts between sixteen and twenty-one years of age, who would be physically trained, provided with outdoor work (gardening and construction) and education (school attendance and lectures)."

"The following shops would be reserved for recidivists and hardened criminals: stonecutting, stonecrushing, machine and blacksmithing, and other work in connection with the administration of the institution. Special treatment for this class would no doubt result in a sensible reduction in our penitentiaries of this class of convicts. At present," the Report stated, "their percentage is out of all normal proportions, when compared to similar types in European countries. In respect of grading, all classes would be graded according to their crime, sentence, antecedents, capacity and merits, and would be entitled to appropriate privileges."

With regard to the Borstal System, Lieut.-Col. Piuze's Report stated that the System, with certain modifications, was the most adaptable for Canada, but that it would not be possible to introduce it outright; that, for the time being, the best solution would be to hasten construction of Laval buildings at St. Vincent de Paul, Que., and of Collin's Bay at Kingston, Ont., where young delinquents could be accommodated; that there should be no contact whatever of lads with older prisoners; that, while awaiting the accommodation already mentioned, a certain segregation could be made in Canadian penitentiaries but only as a temporary measure; that dormitories for young convicts were not advisable—individual cubicles were much more recommendable; and that too many recreations and privileges were not favoured and a well-balanced discipline should be maintained.

Divorces Granted in 1934-36

Reports issued by the Dominion Bureau of Statistics in 1934, 1935 and 1936 showed that there were 1,106 divorces granted in 1934, 1,376 in 1935 and 1,526 in 1936, of which 38, 30 and 80, respectively, were granted by the Dominion Parliament. The increase in 1934 over 1933 was 183, or 19.8 per cent.; the increase in 1935 over 1934 was 270 or 24.4 per cent.; and the increase in 1936 over 1935, 150 or 10.9 per cent. The number of divorces granted in the various Provinces in each of the three years was as follows:

	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.
1934	33	17	36	358	126	62	168	306
1935	52	36	26	463	145	60	209	384
1936	41	38	36	511	179	79	209	433

National Revenue

The Report of the Department of National Revenue for the fiscal year ended Mar. 31, 1936, (the Hon. James Lorimer Ilsley, Minister) showed that Customs duty collected was $82,784,317, as compared with $84,627,473 in 1935 and $200,479,505 in the peak year ended Mar. 31, 1929. The total volume of imports for home consumption was $562,719,063 ($522,431,153 in 1935) and the total exports $862,472,076 ($764,284,888 in 1935). The total dutiable goods imported for the fiscal year ended Mar. 31, 1936 were valued at $309,933,096, and the total free goods, $253,785,967. In the like previous period ended Mar. 31, 1935, total dutiable goods imported were valued at $301,245,922, and total free goods $221,185,231. The total dutiable goods imported from the United Kingdom during the fiscal year 1935-36 were $55,967,230, and from the British Empire as a whole, $79,699,294. The value of the total free goods from the United Kingdom was $61,907,592, and from the British Empire, $98,022,016. From the United States the total dutiable goods imported was $189,838,436, and total free goods, $129,641,158. The percentage of duty on the total value of goods entered for home consumption, dutiable and free, was 15.79 in the period ended Mar. 31, 1936, as compared with 16.11 the previous year. The total dutiable goods imported from the United Kingdom during the year ended Mar. 31, 1935 was $58,836,033, and from the British Empire as a whole $78,577,323. The value of the total free goods from the United Kingdom was $52,846,457, and from the British Empire $77,609,148. The total dutiable goods imported from the United States was $181,157,642, and total free goods imported from the United States was $122,482,330.

The total Excise revenue for the fiscal year 1935-36 was $161,830,681, as compared with $158,576,297 for the previous year. Details of Excise duty in 1936 as compared with 1935 were: spirits, $7,401,581 and $8,155,162; validation fee, $600,417 and $443,550; malt, $7,691,832 and $6,263,464; beer, $408,760 and $1,143,910; malt syrup, $163,710 and $168,705; cigars, $373,668 and $376,136; tobacco, $28,678,512 and $27,903,910; licences, $40,540 and $45,201. Excise taxes collected during the years 1936 and 1935, respectively, were: licences, $41,872 and $48,576; stamps, $4,404,763 and $4,419,907; automobile tires and tubes, $1,261,918 and $1,241,918; matches, $1,566,896 and $1,457,117; sales tax, $70,259,941 and $64,011,591; playing cards, $278,090 and $244,000; toilet preparations and soap, $1,078,376 and $1,051,997; cigars, $124,836 and $120,795; lighters, $18,881 (1935-36); wines, $203,466 and $248,425; ale, beer, etc., $1,773,712, malt products, $64,225 (1934-35); sugar, $10,037,792 and $10,679,488; transportation and telephones, $1,460,953 and $1,463,203; interest, $85,671 and $84,588; domestic total, $91,052,968 and $87,126,375. Sales tax on importations, $10,918,243 and $10,432,314; excise tax on importations, $1,561,268 and $16,517,571; special excise 3 per cent., $12,939,181 (1935-36).

The Shipping Report of the Customs Division for the fiscal year ended Mar. 31, 1936, as compared with the previous year, gave the following statistics: vessels built, 11,388 tons (1934-35: 4,306 tons); vessels registered, 35,732 tons (1934-35: 12,985 tons); vessels entered inwards and outwards (exclusive of coasting vessels) 87,523,507 tons (1934-35: 86,434,819 tons); vessels entered and cleared coastwise, 84,794,977 tons (1934-35: 85,973,186 tons); vessels sold to other countries, 7,170 tons (1934-35: 23,613 tons) and value $230,735 (1934-35: $374,345).

The amount collected under the Income War Tax Act during the fiscal year 1935-36 (ended Mar. 31) is shown in the following statement supplied by the Commissioner of Income Tax (C. Fraser Elliott); the

amount is classified as to individuals, corporations and 5 per cent. tax by Provinces including the Head Office:

1934-35

Provinces	Individuals No.	Individuals Amount	Corporations No.	Corporations Amount	5% Tax Amount	Totals No.	Totals Amount
P.E.I. ...	586	$34,268.21	136	$108,541.95	$186,857.13	722	$329,667.29
N.S.	5,736	510,531.04	349	405,314.63	42,047.19	6,085	957,892.86
N.B.	4,537	363,469.67	270	200,738.62	6,283.96	4,807	570,492.25
Que.	40,777	8,309,390.72	2,091	10,759,943.68	1,413,799.76	42,868	20,483,134.16
Ont.	85,005	12,007,946.24	5,099	20,096,336.06	3,830,919.85	90,104	35,935,202.15
Man.	11,728	884,296.72	564	985,321.02	52,704.91	12,292	1,922,322.65
Sask.	6,339	203,494.21	273	86,811.14	6,590.00	6,612	296,895.35
Alta.	10,264	557,357.18	483	702,837.16	38,546.00	10,747	1,298,740.34
B.C.	18,776	1,874,414.09	1,187	2,413,153.84	238,685.86	19,963	4,526,253.79
Yukon ...	447	15,650.99	6	1,021.51		453	16,672.50
H. Office .		440,572.91		30,219.26			470,792.17
TOTALS .	184,195	$25,201,391.98	10,458	$35,790,238.87	$5,816,434.66	194,653	$66,808,065.51

1935-36

Provinces	Individuals No.	Individuals Amount	Corporations No.	Corporations Amount	5% Tax Amount	Totals No.	Totals Amount
P.E.I. ...	573	$31,350.28	176	$260,817.05	$134,726.03	749	$426,893.36
N.S.	6,272	637,617.54	407	496,130.52	72,732.94	6,679	1,206,481.00
N.B.	4,015	517,635.23	298	284,714.88	8,835.46	4,313	811,185.57
Que.	46,043	10,878,482.38	2,247	12,794,120.32	1,532,863.54	48,290	25,205,466.24
Ont.	91,932	16,708,017.37	4,857	23,448,238.66	4,903,102.27	96,789	45,059,358.30
Man.	12,742	1,036,565.23	607	1,102,827.25	65,203.14	13,349	2,204,595.62
Sask.	6,058	213,546.19	328	106,200.89	8,095.84	6,386	327,842.92
Alta.	10,018	601,639.59	514	945,249.28	52,622.03	10,532	1,599,510.90
B.C.	21,033	2,033,278.75	1,532	3,049,710.31	429,419.29	22,565	5,512,408.35
Yukon	416	15,762.30	4	2,087.64		420	17,849.94
H. Office .		309,336.85		28,873.78			338,210.63
TOTALS .	199,102	$32,983,231.71	10,970	$42,518,970.58	$7,207,600.54	210,072	$82,709,802.83

Pensions and National Health

The Annual Report (issued June 30, 1936) of the Department of Pensions and National Health for the year ended Mar. 31, 1936, (the Hon. Charles G. Power, Minister) included Reports of the work of the Canadian Pensions Commission, the Pensions Appeal Court, the War Veterans' Allowance Committee and National Health Division.

Pensions Division—During the fiscal year 1935-36 admissions to hospital were 10,411 as against 10,150 in the previous year, while 204,474 received treatment in 1935-36 as compared with 196,951 in 1934-35. Of those in hospital on Mar. 31, 1936, 1,689 were in department hospitals and 662 in civil institutions, while comparative figures for 1934-35 were 1,617 and 799, respectively. The supply, renewal and repair of surgical appliances of all kinds—important phase of the Department's work—numbered as delivered in 1935-36, was 16,693, against 16,364 in 1934-35. Pensioners granted relief in 1935-36 numbered 12,083; and the amount $2,365,579, as compared with 11,541 and $2,046,354 respectively in 1934-35. The number employed in Vetcraft Shops was 116, as against 129 in the previous year. The net applications for pensions of record at Mar. 31, 1936, was 3,860, as against 3,495 the previous year. Net payments by the Department for the year ended Mar. 31, 1936, with the fiscal year 1934-35 in brackets, showed the following: European war pensions, $41,521,576 ($41,953,036); war veterans' allowances, $2,531,488 ($2,017,074); unemployment assistance, $2,365,579 ($2,042,354); sheltered employment, $52,131 ($51,459); hospital allowances, $1,315,347 ($1,408,344); cost of hospital treatment, $2,760,866 ($2,672,123); employer's liability compensation, $27,138 ($23,103); Last Post Fund, $60,000 ($40,000); Canadian Legion, $9,000 ($9,000); transportation, pensioners, patients, etc., $118,733 ($124,831); after care of blinded and transportation of blinded ex-soldiers, $6,610 ($6,457). Other expenditures

included $1,247,642 ($1,166,075) for militia pensions and $778,317 ($844,241) for returned soldiers' insurance. Inasmuch as the period in which applications for insurance could be received had expired in August, 1933, after that date no further policies were issued. The number of policies in force as at Mar. 31, 1936, was 25,846, a decrease of 1,087 from the previous year, while the value of insurance in force was $55,326,246, a decrease of $2,577,336, as compared with Mar. 31, 1935.

The Report of the Canadian Pensions Commission for the year ended Mar. 31, 1936, showed an increase in the number of disability pensions in force of 720 as against the end of the fiscal year 1934-35; while the number of dependent pensions in force decreased by 66. Disability awards in payment at Mar. 31, 1936, were 77,124 and dependent awards 18,175, as compared with 78,404 and 18,241, respectively, at the close of 1934-35. The total number of beneficiaries under the Pensions Act was 257,121, representing a decrease of 3,513 from 1934-35. Total liability in respect of pensions for the fiscal year ended Mar. 31, 1936 was $40,854,474, an increase of $75,453.

Pension Appeal Court—The Court rendered the following decisions during the fiscal year 1935-36: applications, 1,908; allowed, 38; appeals remaining unheard at Mar. 31, 1936, 965. Figures for 1934-35, respectively, were: 1,792; 59; and 438.

The National Health Division—Efficient work was done by the Food and Drugs Branch during the years ended Mar. 31, 1935, and 1936. Strict surveillance was maintained not only over domestic products but all foods and drugs that passed through Customs. The progress made by the Narcotic Branch was notable. The Report also included the Proprietary or Patent Medicine Branch and Public Health Engineering Service, the latter in connection with the protection of health of tourists, the travelling public and persons engaged in transportation activities, water supplies, particularly with regard to inland waters and water carried on vessels and on trains. Samples examined in food and drug laboratories totalled 17,939 in the year ended Mar. 31, 1936, as compared with 17,361 in the previous year.

In connection with the illicit narcotic situation in Canada, energetic action was carried on, particularly in British Columbia—the Province so subject to illegal imports of orientally manufactured morphine, heroin and cocaine. Great success was achieved in detecting the overseas sources of supply. The ramifications of a thoroughly well organized gang in the Orient and on many boats plying to the Pacific coast were discovered, thanks to the splendid work on the part of the Royal Canadian Mounted Police in Vancouver, resulting in suppression of a good deal of the illicit trade. Convictions in the year ended Mar. 31, 1936, showed a reduction from the previous year. The Quarantine Service inspected 270,002 persons at the four Quarantine points on the Atlantic and Pacific coasts, as compared with 285,470 in the year 1934-35.

Immigration Medical Service—The Immigration Medical Service during 1935-36 examined 5,775 prospective immigrants to Canada before they embarked and 4,972 after arrival in Canada. Figures for 1934-35 were 5,735 and 5,323, respectively. Up to Jan. 31, 1936, examination centres were maintained at London, Liverpool, Glasgow and Belfast in the British Isles. Due to the continued lull in emigration to Canada, however, the Offices in Liverpool, Glasgow and Belfast were closed. On the Continent of Europe, examination centres were stationed at Paris, Hamburg and Antwerp during 1934-35 and 1935-36.

Health Conference, 1935

The Minister of Pensions and National Health (the Hon. D. M. Sutherland) called a Meeting of Provincial Ministers of Health in April, 1935, with the object of considering Provincial and Dominion policies. The Meeting was held at Ottawa and health matters of interest to both the Dominion and the Provinces were discussed. The Dominion Minister, with the concurrence of the Provincial Ministers, agreed to the proposal for the appointment of a Royal Commission for making a study of health services generally. It was suggested that the Commission should comprise representatives of the Canadian Medical Association, the teaching faculties of medicine, labour, agriculture, insurance companies and finance.

Mental Patients

At the close of the calendar year 1936 there were 57 institutions for the care and treatment of patients suffering from mental diseases as compared with 56 in 1935, 58 in 1934 and 60 in 1933. The total number of patients in 1936 was 43,080, of which 23,694 were males, and 19,386 females. Patients registered as at Dec. 31, 1935, numbered 41,216, of which 22,617 were males and 18,599 were females. At the end of the calendar year 1934, patients registered numbered 39,106 of which 21,484 were males and 17,622 were females. Figures for 1933 were 37,135, 20,414 and 16,721, respectively. The proportion of the insane of both sexes per 10,000 of the general population as at Dec. 31, 1936, was 28.4 as against 27.5 in 1935, 33.6 in 1934 and 32.5 in 1933. Normal bed capacity at the end of 1936 was 37,379 as against 35,987 in 1935, 34,866 in 1934 and 33,451 in 1933.

Vital Statistics

The following table contains a condensed summary of births, deaths, infant and maternal mortality, and marriages in 1936 as compared with 1935 and 1934, as given in final Reports of the Dominion Bureau of Statistics. Yukon and North-west Territories are not included. The figures for all deaths and for infant mortality both exclude still births:

Provinces	Population in Thousands	Living Births		All Deaths		Infant Mortality		Maternal Mortality		Marriages	
		No.	Per 1,000 Population	No.	Per 1,000 Population	No.	Per 1,000 Population	No.	Per 1,000 Population	No.	Per 1,000 Population
P.E.I..	92	1,977	21.5	1,024	11.1	137	69	11	5.6	595	6.5
N.S....	537	11,808	22.0	5,897	11.0	781	66	51	4.3	4,129	7.7
N.B...	435	10,513	24.2	4,803	11.0	806	77	69	6.6	3,397	7.8
Que...	3,096	75,285	24.3	31,853	10.3	6,220	83	450	6.0	21,654	7.0
Ont...	3,689	62,451	16.9	37,571	10.2	3,416	55	355	5.7	27,734	7.5
Man...	711	12,855	18.1	6,219	8.7	779	61	70	5.4	5,756	8.1
Sask...	931	19,125	20.5	6,314	6.8	1,030	54	86	4.5	6,168	6.6
Alta...	773	15,786	20.4	6,147	8.0	940	60	91	5.8	6,020	7.8
B.C...	750	10,571	14.1	7,222	9.6	465	44	50	4.7	5,451	7.3
Canada (1936)	11,014	220,371	20.0	107,050	9.7	14,754	66	1,233	5.6	80,904	7.3
Canada (1935)	10,921	221,451	20.3	105,567	9.7	15,730	71	1,093	4.9	76,893	7.0
Canada (1934)	10,810	221,303	20.5	101,582	9.4	15,870	72	1,167	5.3	73,092	6.8

The total number of illegitimate births in the Registration Area of Canada for 1936 was 8,633, an increase of 289 over the previous year, when the total was 8,344. The total in 1934 was 8,070. The increase in 1935 over 1934, therefore, was 274. The percentage of illegitimate to all live births in 1936 was 3.92, as compared with 3.77 in 1935, and 3.65 in 1934. By Provinces, illegitimate births were as follows:

	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.
1934	84	659	367	2,335	2,500	512	678	589	346
1935	83	663	403	2,506	2,642	473	640	614	320
1936	68	723	405	2,469	2,788	493	703	607	377

Still births in 1936 totalled 6,350, as against 6,449 in 1935, and 6,452 in 1934. The percentage of still births of total births remained the same in the three years, at 2.8 per cent.

Among the causes of death in each of the three years, diseases of the heart were most numerous, the total casualties from this cause being 16,424 in 1936 as compared with 16,069 in 1935 and 16,352 in 1934. Deaths from cancer and other malignant tumours ranked second in point of numbers in 1936, with a total of 11,694 as compared with 11,156 in 1935 and 10,581 in 1934. The major causes of death and the rate per 100,000 of population in 1934, 1935 and 1936 are indicated in the following table:

	1934	1935	1936
Diseases of the heart	151.3	147.1	149.1
Diseases of the arteries	68.3	76.0	82.7
Pneumonia	60.4	67.9	66.4
Nephritis	52.2	56.6	58.1
Influenza	18.5	31.1	28.3
Cerebral haemorrhage, cerebral embolism and thrombosis	28.9	23.1	20.4
Congenital malformations	12.6	13.0	13.1
Typhoid fever	2.7	2.5	2.3
Whooping-cough	8.1	8.2	5.4
Erysipelas	2.0	1.9	2.1
Diabetes mellitus	12.2	13.4	13.1
Cancer and other malignant tumours	97.9	102.2	106.2
Violent deaths	59.8	63.2	67.8
Diseases of early infancy	64.2	63.0	60.0
Tuberculosis, respiratory	48.9	50.1	50.2
Diarrhoea and enteritis	34.5	25.3	21.6
Puerperal	10.8	10.0	11.2
Senility	17.4	17.4	15.4
Measles	1.7	4.5	3.4
Diphtheria	2.1	2.4	2.3
Syphilis	4.2	5.1	5.3
Anaemia	5.7	6.0	5.9
Alcoholism	1.1	1.5	1.7
Epilepsy	3.1	3.0	2.5
Appendicitis	14.6	13.7	13.0
Cirrhosis of the liver	3.6	3.8	4.1
Diseases of the prostate	8.7	10.0	10.5
Scarlet fever	2.1	2.2	2.2
Poliomyelitis and polioencephalitis	0.8	0.6	0.9
Diseases of the thyroid and parathyroid glands	3.2	3.5	3.8
Progressive locomotor ataxia	0.6	0.7	0.5
Dementia praecox and other psychoses	4.6	3.7	3.6
Simple meningitis	3.7	2.9	3.0
Hernia	9.9	10.3	9.5
Bronchitis	3.5	3.3	3.1
Other diseases of liver	7.7	8.5	8.7
Diseases of the stomach	11.7	11.2	11.8
Epidemic cerebro-spinal meningitis	0.8	1.0	0.9
Leukaemia and aleukaemia	3.0	3.3	3.1
General paralysis of the insane	1.7	2.1	2.0
Diseases of the ear and mastoid process	3.4	4.2	3.9
Pleurisy	3.1	2.9	2.7
Asthma	4.3	4.2	4.3
Congestion of lung	4.0	3.6	3.5
Diseases of the buccal cavity, etc.	3.6	4.1	5.3

Deaths from cancer and other malignant tumours by Provinces in 1936, 1935 and 1934, respectively, were as follows: Prince Edward Island,

108, 79 and 95; Nova Scotia, 687, 617 and 688; New Brunswick, 459, 466 and 410; Quebec, 2,939, 2,848 and 2,665; Ontario, 4,441, 4,214 and 4,034; Manitoba, 775, 786 and 660; Saskatchewan, 710, 631 and 636; Alberta, 611, 622 and 572; and British Columbia, 934, 893 and 821.

The number of violent deaths in 1936 (final figures) was 7,463, an increase of 565 over the 6,898 total in 1935. The figure for 1934 was 6,469. The rate per 100,000 of population was 67.8 in 1936, 63.2 in 1935 and 59.8 in 1934. The lowest record in Canada during the period 1926-36 was 58, in 1933, while the highest record for that period was 73 per 100,000 in 1930. The number of suicides in 1936 was 928, as compared with 905 in 1935 and 927 in 1934, while homicides in 1936 totalled 137, as against 153 in 1935 and 142 in 1934. Deaths resulting from accidents in 1936 numbered 6,398 as compared with 5,840 in 1935 and 5,400 in 1934. Drownings in 1936, exclusive of those occurring in land and air transportation, numbered 786; in mines and quarries, 138; in railway accidents, 238; in street cars, 28; automobiles and motor cycles, 1,316; and in air transportation, 16. Figures for 1935 and 1934 respectively, were: 878 and 840; 140 and 120; 212 and 228; 37 and 39; 1,224 and 1,115; and 14 and 15. In 1936, drownings were equal to 12.3 per cent. of all fatal accidents and in 1935 and 1934 approximately 15.1. In 1936 land transportation accidents equalled 24.7 per cent. of the total; in 1935, 25.2 and in 1934, 25.6. In 1936 of land transportation accidents, automobiles accounted for 20.6 per cent. of total accidental deaths; in 1935, they accounted for 21 and in 1934 for 20 per cent.

Public Works

The Report of the Minister of Public Works (the Hon. P. J. Arthur Cardin) for the fiscal year ended Mar. 31, 1936, showed total expenditures on works of construction, maintenance and operation amounting to $31,098,862, as compared with $16,176,363 in the previous year and $11,146,600 in the year ended Mar. 31, 1934. The details of this outlay are classified as follows:

Mar. 31	1936	1935	1934
Harbour and River Works	$3,428,445	$2,396,105	$2,408,303
Dredging, Plant, etc.	1,208,231	870,899	1,172,582
Roads and Bridges	50,701	52,370	53,775
Public Buildings	7,323,677	5,833,720	6,371,216
Telegraphs	563,646	493,090	497,037
Miscellaneous	99,782	112,712	115,317
Civil Government	533,338	500,906	528,367
Public Works Construction Act	17,891,039	5,916,559	

The Secretary of State

Reports for the two years, one ended Mar. 31, 1936, (the Hon. Fernand Rinfret, Secretary of State), and Mar. 31, 1935 (the Hon. C. H. Cahan, Secretary of State) showed that four new Boards of Trade were registered in 1936 as against ten in the previous year. No elections were held under the Canada Temperance Act in either year. Under the Ticket-of-Leave Act the Remission Division dealt with 2,850 criminal cases in the year ended Mar. 31, 1936. The cases dealt with, with the year 1934-35 in brackets, were as follows: Ticket-of-Leave, 756 (1,103); unconditional release, 672 (912); deportation, 66 (108); temporary Ticket-of-Leave, 23 (53); conditional Release, 20 (30); other cases, 119 (92); and no-interference cases, 1,194 (2,290). In addition, the total number of capital cases was 28 as compared with 16 in 1934-35. In the year ended Mar. 31, 1936, there were 17 executions against 12 in 1934-35, while there were 5 commutations as compared with 1, and 6 new trials compared

with 3 in 1934-35. Three new trades unions were registered, as against 7 in 1934-35. It was reported that the library of the Department, organized in 1904, comprised in 1936 over 100,000 volumes, dealing with the legislation and history of Canada, the United Kingdom and other British countries. During the fiscal year ended Mar. 31, 1936, 24,389 naturalization certificates were issued as against 16,566 in 1934-35, while 30,679 persons were naturalized, as compared with 20,901 in 1934-35. The number of companies incorporated during the year ended Mar. 31, 1936, was 371, as against 472 in the previous year. The total capitalization of new companies having shares with par value only, was $85,435,150 in 1935-36 as compared with $66,042,840 in the previous year. The total capitalization of new companies and the increased capital of existing companies amounted to $195,310,550 in 1935-36 as compared with $207,105,492.

The Gypsum Queen Case

The action taken by the Crown to recover from the Hon. Hance J. Logan of Nova Scotia and Capt. Freeman Hatfield, a Nova Scotia sea captain, the $71,000 paid to the latter in compensation for the loss of his schooner, *The Gypsum Queen,* during the Great War was upheld by an Exchequer Court judgment on Mar. 23, 1936 (See previous editions of *The C.A.R.*). Mr. Logan, who had acted as counsel for Hatfield in making a claim from the War Reparations Fund on the grounds that the schooner was torpedoed by a German submarine off the coast of Ireland, declared that he would carry an appeal to the Supreme Court of Canada. The action in the Exchequer Court had been taken in January, 1935, following a prolonged investigation by a Royal Commission headed by Chief Justice Harvey of Alberta. The Commission's finding reflected on Capt. Hatfield and his counsel. A Court action had been taken in the United States against Capt. Hatfield alone, resulting in judgment against the defendant whose property in a safety deposit box in New Jersey was seized. It contained bonds which had figured in the case against Mr. Logan and cash amounting to about $30,000. By the Exchequer Court judgment of March, 1936, Mr. Logan and Captain Hatfield were ordered to return to the Crown $71,276. This included the amount paid as reparation for the alleged torpedoing of the vessel and interest at 5 per cent. from Mar. 18, 1931, the date payment was made. Plaintiffs did not ask for costs and none was found against the defendants.

The decision filled 87 foolscap pages and went exhaustively into the famous War claim which had occupied the authorities since late in 1930. Mr. Logan announced that he would take an appeal to the Supreme Court of Canada.

National Defence

The Annual Report of the Department of National Defence for the fiscal years ended Mar. 31, 1936, 1935 and 1934, gave a comprehensive account of the Militia, Air and Naval Services. Expenditure on these Services in 1933-34 totalled $17,458,075; in 1934-35, $22,305,299; and in 1935-36, $27,378,541. No central camps were held for units of the Permanent Force in any of the above years. Training was carried out at unit stations and in camps in the respective military districts. In the non-permanent active militia training was confined to ten days, with pay, while a large number of units carried out additional training for which no pay was drawn. The total numbers of non-permanent active militia trained in 1935-36 included 5,226 officers and 34,580 other ranks. This compared with 5,120 officers and 34,055 other ranks in 1934-35, and 5,207

officers and 34,245 other ranks in 1933-34. During the year ended Mar. 31, 1936, one new Cadet Corps was organized and the number of enrolled Cadets on Aug. 31, 1935 was 82,373. In the previous fiscal year one new Corps was authorized, and on Aug. 31, 1934, enrolment was 87,448. In the year ended Mar. 31, 1934, no new Corps were authorized and the enrolment on Aug. 31, 1933, was 134,331.

A large quantity of historical material relating to the Great War, consisting of regimental histories and the like was assembled by the Historical Section of the Department, and made available for reference. Work was continued on the first general volume of the Official History, which covers the story of the Canadian Forces up to the formation of the Canadian Corps in September, 1915. A history of the organization and development of the Canadian Militia, compiled from original sources was completed up to 1910.

Air defence in Canada assumed increasing importance during the years beginning 1933-34, with particular reference to training. The main changes during the year 1934-35 were the formation of No. 5 Flying Boat Squadron, the re-opening of the Air Station at Dartmouth, N.S., and the organization of two additional non-permanent squadrons. Early in 1935-36 an organization branch was formed within the Air Staff Division, while the re-organization of the Force on service lines progressed steadily. Funds permitted the enlistment and training of personnel for the nucleus of No. 6 (Torpedo Bomber) Squadron and other units. The re-organization of R.C.A.F. Station, Ottawa, was carried out in the Autumn of 1935. On Mar. 31, 1934 the Permanent Active Air Force numbered 106 officers and 586 airmen, while the Non-Permanent Active Air Force comprised 26 officers and 8 airmen, while the reserve strength was 200. As at Mar. 31, 1935, the strength in Warrant Officers, non-commissioned officers and airmen was: permanent, 676; non-permanent, 269. On Mar. 31, 1936, the figures were: 884 and 289, respectively. The report of the Adjutant-General stated that on Mar. 31, 1934, the strength of the Permanent Active Militia in Warrant Officers, non-commissioned officers and men was 3,112, as compared with 3,098 as at Mar. 31, 1935, and 3,585 as at Mar. 31, 1936.

The Quartermaster-General reported on the Engineer Services, Supplies and Transport, Equipment and Ordnance Services, and mentioned among other matters that accommodation for Non-Permanent Active Militia was gradually being improved and extended; that Radio Beacon Sites had been acquired at four points in Ontario; and that a new Armoury was being erected at Montreal.

The Controller of Civil Aviation reported that in Canada at the end of 1933 there were 90 commercial aircraft operators, 128 at the end of 1934 and 130 at the end of 1935. In 1934 there were 368 registered civil aircraft; and in 1935, 380. Commercial air pilots numbered 474 at the end of 1933; 405 (1934); and 496 (1935), respectively. Private air pilots at the end of 1933 numbered 405; at the end of 1934, 427; and at the end of 1935, 496. At the end of 1933 there were 403 air engineers; at the end of 1934, 461; while at the end of 1935 there were 472. The number of Harbour Licences was 105, 102 and 96, respectively.

The Report of the Naval Service as at Mar. 31, 1935, stated that Capt. Percy W. Nelles, R.C.N., had been promoted to the rank of Commodore and appointed Chief of the Naval Staff and member of the Defence Council—the first officer trained in the Royal Canadian Navy to hold the appointment. The total authorized complement of the Royal Canadian Navy permanent forces at Mar. 31, 1934, included 93 officers and 787

ratings; as compared with 100 officers and 803 ratings, as at Mar. 31, 1935; and 102 officers and 830 ratings at the end of Mar. 31, 1936. The ships in commission during the year ended Mar. 31, 1936, included H.M.C.S. *Saguenay, Skeena, Champlain, Vancouver, Armentieres, Stadacona* and *Naden.* The Royal Canadian Naval Reserves as at Mar. 31, 1936 had 43 officers and 148 ratings, as compared with 41 officers and 149 ratings at the end of the previous year, and 39 officers and 151 ratings as at Mar. 31, 1934.

The Scheme of Unemployment Relief, inaugurated by the Department of National Defence in the Autumn of 1932 was carried on throughout 1933-34, 1934-35, and 1935-36. As at Mar. 31, 1934, there were 123 projects authorized, with a total strength of 18,903 men in camps; as at Mar. 31, 1935, 156 and 20,288, respectively; and at Mar. 31, 1936, 144, and 17,894, respectively. In all three years the Department co-operated with the Canadian Red Cross.

Department of the Interior

The Annual Reports of the Department of the Interior for the fiscal years ended Mar. 31, 1934 and 1935, (the Hon. Thomas G. Murphy, Minister), and for the year ended Mar. 31, 1936, (the Hon. T. A. Crerar, Minister), were divided into seven parts: (1) Dominion Lands Administration; (2) Forestry; (3) National Parks of Canada; (4) Water Power and Hydrometric Bureau; (5) Topographical Survey; (6) Geodetic Survey and International Boundary Commission; and (7) the Observatories. A new Deputy Minister, J. M. Wardle, submitted the 1935-36 Report to the Minister. During the three fiscal years the two salient features of the work of the Department were the increasing development activities in the Northwest Territories and the steady increase in tourist traffic in the National Parks.

During the year ended Mar. 31, 1935, the title of Dominion Lands Administration was changed to Lands, Northwest Territories and Yukon Branch, but no change occurred in the functions of the branch which was the general administration of the territories under its control. During the three fiscal years the principal mineral prospecting activity centred in the Yellow Knife River and Great Slave Lake area where discoveries of gold had been made. At the end of the fiscal year 1935-36 hundreds of mineral claims had been staked on both sides of the River for a distance of 35 miles from its mouth and on the islands and south shore of Great Slave Lake between 112° —113° .30 longitude west. Development was in progress on two properties and it was expected that there should be much activity during the next season. The number of prospectors in the Great Bear Lake area during 1935-36 was fewer than in the two previous years. The production of petroleum from the wells near Norman was greater in 1935-36 than in 1934-35, most of the oil being shipped to the Great Bear Lake mining field. Placer and lode mining of gold was actively and progressively carried on in the Yukon Territory during the three fiscal years. The yield of fur from the more important fur-bearing animals showed a slight decrease in 1935-36 from the previous year. The 2,370 head of reindeer delivered at Kittigazuit east of the Mackenzie River in 1934-35 after a trek beginning in 1929 from Alaska was increased by 815 fawns in 1935-36. The yearly patrol to the Eastern Arctic was carried out in the SS. *Nascopie* of the Hudson's Bay Company during this period and reported that the general health of the population of the Northwest Territories was good. A new publication, "Canada's Eastern Arctic", containing up-to-date information on the history, re-

sources, population, and administration was made available in 1934-35 for public distribution. The work of placing parcels of Ordnance and Admiralty lands on a revenue-producing basis was continued during the three years.

The Reports for each of the three fiscal years 1934, 1935 and 1936, (ended Mar. 31) described the progressive and valuable research work of this Branch in silviculture, forest economics, forest production and forest products. Of particular importance was the continued study by the Forests Experiment Stations of the problem relating to the inauguration of a system of management of Canada's forests which would secure in perpetuity, the largest supply of timber of the best quality from the best species, and, at the same time, provide for the renewal of the forest—the so-called "sustained yields". The work of compiling the forest industry statistics (ranking third of the natural resources as producers of wealth) brought out the fact that the total forest area was 1,254,082 square miles, of which over a third is non-productive, the remainder being almost equally divided between merchantable forest and young growth. The calendar year 1935 was reported as the most favourable year for forest fire-protection for many years. The three laboratories engaged in Forests Products Research; namely, the Main at Ottawa, the Pulp and Paper at Montreal, and the Vancouver, were all actively engaged on investigations into the physical and chemical properties of the various species of wood and their adaptability to industrial use, the most economical and efficient methods of manufacture and utilization, the elimination of waste and the prevention of decay.

The National Parks, the greatest of Canada's attractions for tourists, had 593,774 in 1933-34; 710,778 in 1934-35; and 771,794 in 1935-36. The twelve scenic parks aggregated 12,059 square miles of territory: three in Alberta; four in British Columbia; three in Ontario; and one each in Saskatchewan and Manitoba; also two national historic parks, one in Nova Scotia and the other in New Brunswick. In addition there are four animal parks in Alberta. Extensions to Parks facilities completed in 1934-35 were of great benefit and another notable increase was recorded in the numbers of visitors using motor campsites and in the length of time they spent in the Parks.

The Reports of the Dominion Water Power and Hydrometric Bureau for the three fiscal years stated that the consumption of electrical energy continued to increase in each of the three years and the high monthly levels in every case during the fiscal years 1934 and 1935 were exceeded during 1935-36. The total hydro-electric installation reached close to 8,000,000 horse-power at January 1, 1936. Investigations were made during 1934-36 and reports were submitted to the International Joint Commission in connection with applications to store water on Kootenay Lake and to rebuild a dam in the upper waters of the St. John River in Quebec. Progress was reported in the 1935-36 Report with respect to the judicial proceedings in connection with the Lake of the Woods Convention which had been carried on in Minnesota for several years concerning flowage easements. Satisfactory verdicts to Canada and the United States were secured in several cases; other cases were still proceeding.

The Topographical and Air Survey Bureau reported for the three fiscal years a growing demand for maps, the Bureau having available at the end of the year 1935-36, approximately 1,000: a new one of Canada having been issued in that year. During 1935-36, copies distributed totalled over 100,000. A certain amount of field work was con-

ducted during the three years in each of the Provinces and in the Northwest Territories, particularly in gold prospecting areas; also a survey of the several penitentiary reserves was undertaken at the request of the Department of Justice. Other work accomplished by the Bureau during the three years was assistance in 1934-35 in the preparation of information for the use of the Saskatchewan and Alberta Resources Commission and the Commission investigating the claims of the Maritime Provinces with respect to the disposal of Crown lands by the Dominion; and the preparation and distribution of 30,000 electoral maps in connection with the General Election of 1935.

The Geodetic Survey continued throughout the period under review to supply on request geodetic control data of the most recent determinations. Progress was made in the printing and distribution of the Survey's publications. The permanent marking of triangulation stations and levelling bench marks was carried on including the establishment of two fundamental bench marks. Field work was conducted in several of the Provinces. An Order-in-Council was passed in 1934-35 ordering mean sea-level as determined by the level system of the Geodetic Survey of Canada to be the official datum for all Government surveying and engineering operations. In 1935-36 important links of primary and secondary triangulation were completed. In 1935-36 triangulation operations were commenced in Newfoundland in accordance with an agreement between the Dominion Government and the Commission of Government of Newfoundland; they were expected to cover five seasons' work.

The International Boundary Commission, Canadian Section, in co-operation with the United States Section, continued to carry out the Treaty obligations of permanently maintaining the boundary between Canada and the United States in a state of effective demarcation. Two conferences were held by the Commissioners in each of the three years when programmes were prepared and agreements reached. Inspections were made each year and when found necessary, the boundary vista was recleared, damaged monuments were repaired and new monuments were erected in several sections.

The Dominion Observatory, Ottawa, and the Dominion Astrophysical Observatory, Victoria, both under the jurisdiction of the Department of the Interior, continued their usual work during the three fiscal years: the investigation of longitude and time in co-operation with nations in different parts of the world; the measurement of solar rotation and the occurrence of sunspots and their effects on animal and vegetable life; the recording of earthquakes, including investigations on the Temiskaming Earthquake of November, 1935; the carrying out of magnetic surveys in the Western Provinces and in the extreme eastern section; the making of a geophysical survey for the occurrence of gas and oil in New Brunswick during 1935-36; the revision of orbits of spectroscopic binary stars and the determination of new orbits; and the photography and study of stellar and nebular spectra. In 1934-35 a torsion balance survey of a salt area in Nova Scotia was made; and fifty new variable stars were discovered. In 1933-34 (from September to December, 1933) special observations for clock corrections and wireless time comparisons were carried on at Ottawa and at Vancouver as Canada's contribution to the International Longitude Campaign sponsored by the International Astronomical Union. During this same year 94 earthquakes were recorded at the Ottawa station.

The Department of Mines and Resources came into being on Dec. 1, 1936, under the authority of Chapter 33 of the Statutes of Canada, 1936.

[The Report covering the year ending Mar. 31, 1937, will include Mines and Resources and Soldier Settlement of Canada; it will cover the work of the former Departments of Mines, Interior, Indian Affairs, and Immigration up to that date, and of the new Department (Mines and Resources) from Dec. 1, 1936, to the end of the fiscal year].

Indian Affairs

The Reports of the Superintendent General for the years ended Mar. 31, 1935 and 1936, contained the Reports of Dr. Harold W. McGill, Deputy Superintendent General, who in 1935, inspected the three agencies in the Northwest Territories by air. A slow but gradual improvement was reported in the health and economic conditions of the Indians for the three-year period. The Indian population was shown at 112,510 representing an increase of 4,510 from that shown in the Report for the year ended Mar. 31, 1934. There were 79 residential schools, 270 day schools and 10 combined white and Indian schools in operation during the year 1935-36—a total of 359 centres for Indian educational activity. The total enrolment was 18,033, and the average attendance, 13,849. During the previous year there were in operation 79 residential schools, 262 day schools, and 10 combined schools, a total of 351. Enrolment was 17,560, and average attendance 13,442. Total from Parliamentary Expenditure in 1935-36 on Indian education was $1,936,744, as compared with $1,655,820, in 1934-35. Capital of the Indian Trust Fund, which at the end of the preceding year had amounted to $13,810,673, increased to $13,877,863 at the end of March, 1936. The amounts expended from the Consolidated Revenue Fund in 1935-36 were as follows: voted by Parliament for the purposes of the Department, $4,482,255, and, annuities by Statute, $240,105. These figures compared with $3,973,432, and $236,426 in the previous year.

Immigration and Colonization

Immigration into Canada for the year ended Mar. 31, 1936, totalled 11,103, the smallest since immigration statistics were kept, and less than one half of that of 1900, according to the Report of the Department of Immigration and Colonization for that year. Immigrant arrivals in 1934-35 numbered 12,136. Of the total for 1935-36, 5,982 came *via* ocean ports, as against 6,176 in 1934-35, and of these 2,264 were British nationals against 2,408 the previous year. The more important of the other nationalities were in 1935-36 and 1934-35, respectively, Hebrew, 655 and 335; Slovak, 432 and 595; Ruthenian, 418 and 586; Polish, 362 and 406; Italian, 341 and 325; and Magyar, 314 and 362. Immigration from the United States to Canada in 1935-36 numbered 5,121, as compared with 5,960 in 1934-35. Not included in the above statistics, but representing returning Canadians were arrivals of 5,814, against 7,618 in 1934-35. In the three years ended Mar. 31, 1936, immigration aggregated 37,142 in contrast with 1,084,934 in the three peak years ended Mar. 31, 1914. Not only did non-British immigrants continue to come in excess of British-born in the two years under review, but females outnumbered males. In 1935-36, males totalled 2,507, females 4,554 and children under 18 years, 4,042. The figures for 1934-35 were 2,773, 4,994 and 4,369, respectively.

The following were the destinations of immigrants into Canada during the fiscal years 1935-36 and 1934-35, respectively: Ontario, 4,646 and 5,480; Quebec, 2,184 and 2,315; British Columbia, 1,347 and 1,367; Alberta, 768 and 1,012; Manitoba, 682 and 414; Nova Scotia, 666 and 651; Saskatchewan, 414 and 493; New Brunswick, 323 and 338; Prince Edward Island, 52 and 52; Yukon Territory, 16 and 10; and Northwest Territories, 5 and 4.

By occupations and classes the total for 1935-36 and 1934-35, respectively, was distributed as follows: farming, 711 and 731 males, 341 and 322 females and 511 and 396 children; labouring, 211 and 245 males, 49 and 46 females and 79 and 86 children; mechanics, 408 and 402 males, 134 and 160 females and 71 and 106 children; trading, 477 and 637 males, 229 and 274 females and 108 and 130 children; mining, 25 and 49 males, 5 and 7 females and 6 and 13 children; female domestic servants, 459 and 463 aged 18 years or over and 69 and 63 under 18 years; and other classes not specified, 675 and 709 males, 3,337 and 3,722 females and 3,198 and 3,575 children.

The number of deportations (excluding persons accompanying) in 1935-36 was 576 and in 1934-35, 1,047. Of the 1935-36 total, 154 were British, 143 United States citizens and 279 from other countries. Corresponding figures for the previous year were 342, 191 and 513, respectively. In 1935-36 and 1934-35, respectively, medical causes accounted for 81 and 144 deportations; public charges, 125 and 464; criminality, 207 and 267; and other civil causes 163 and 172.

Soldier and General Land Settlement

According to the Report for the year ended Mar. 31, 1936, the main work of the Soldier Settlement Department was the administration of a public estate consisting of 20,843 farm properties representing an existing net investment in land and chattels of $51,916,393. These figures compared with 21,248 properties and $54,674,524 in 1934-35. Under the Soldier Settlement Act of 1917 and 1919, 24,998 soldier settlers were established on land with loans. As at Mar. 31, 1936, there were 10,587 soldier settlers, 5,872 civilian settlers, 2,001 British family settlers, 1,765 farms operated under lease and 618 farms on hand for resale. A total of 3,099 settlers had repaid their loans in full in cash. There were 18,460 active settlers with loans. At the end of 1934-35, there were 10,828 soldier settlers, 5,844 civilian settlers, 2,061 British family settlers, 1,980 farms operated under lease and 535 farms on hand held for sale. There were 18,733 active settlers with loans. Total collections for 1935-36, including prepayments and leases on account of soldier settlement and British family settlement, were $1,343,334 as compared with $987,387 in 1934-35, 50.9 per cent. making payments against 59.4 per cent. In connection with the reduction in gross loans from $156,090,617 to $51,916,393, a total of $56,050,227 was paid into the treasury in 1935-36; $41,131,652 was granted to settlers through remedial legislation, of which amount $30,862,543 was written off settlers' accounts and $10,269,108 granted by way of interest exemption; and $17,261,452 was deducted on account of losses sustained to date in resale of land and chattels.

The Civil Service Commission

The Annual Reports of the Civil Service Commission of Canada for the year ended Dec. 31, 1936, 1935 and 1934, showed that special attention had been given to organization, classification and compensation, the objective having been increased efficiency combined with economies. In the year 1936 there was a decided increase in the number of persons applying for employment in the Service. Applications were received from 60,752 persons; 948 examinations were held; and 35,056 persons were examined. In the previous year 20,069 candidates were examined and 785 competitions were held. During this year the volume of correspondence in connection with appointments was exceedingly heavy. In the

year ended Dec. 31, 1934, approximately 22,000 applications were made, and 12,540 persons were examined. Studies were made of 80 different units of the Service in the year ended Dec. 31, 1936. Preference continued to be given to qualified ex-service men. Total appointments were 5,895 in 1936 as compared with 3,254 in 1935 and 2,375 in 1934. Of the appointments in 1936, 948 were permanent and 4,947 temporary; in 1935, 311 permanent and 2,943 temporary; and in 1934, 42 permanent and 2,333 temporary. Mr. James H. Stitt, formerly Member of Parliament for Selkirk, Man., was appointed as a member of the Commission in 1935. The Hon. W. J. Roche retired from the Chairmanship in 1935 after long service, when the Commission placed on record its appreciation of the service rendered by him. Charles H. Bland succeeded him as Chairman.

Education

In the Annual Survey of Education in Canada for 1936, published by the Dominion Bureau of Statistics, J. E. Robbins, M.A., Chief of the Education Branch of the Bureau, dealt with the drop in expenditure that had occurred between 1930 and 1934. He quoted from the Biennial Survey of Education in the United States, which indicated that expenditures in that country for schools and colleges declined thirty per cent. during the same period. The comparable drop in Canada was less than twenty-five per cent. Since 1934 there had been little change in the amount spent for Canadian education, Mr. Robbins stated; the annual sum had been approximately equal to that of 1926, when the average daily attendance of pupils was about seventeen per cent. less. A comparison in dollars can hardly be taken at face value, but it may be of interest to note that the yearly cost of schools and colleges in the United States, after the drop of depression years, was calculated at $30.51 for each adult in the population; in Canada the comparable figure was about $22 even. The school and college debt in Canada was about $45 per adult in the population, having been reduced somewhat since 1934, but it was still around twenty-five per cent. higher than in 1926. However, it constituted only about five per cent. of the total Public Debt in Canada—Dominion, Provincial and Municipal—which amounted to more than $800 per adult in the population.

A point stressed in the review was that the loss in school revenues had by no means been evenly distributed among the Provinces, rural schools suffering much more severely than urban. The post-depression salary of teachers as percentage of pre-depression salary in urban schools ranged from a low of 69.4 in Saskatchewan to 99.5 in Prince Edward Island, while the range in rural schools was from 43.2 in Saskatchewan to 96.4 in Nova Scotia. Comparative figures showed that the average rural salary in the majority of the Provinces was less than half of the urban salary. Lower costs of living in rural districts did not fully account for the difference. The Survey gave space to the wide discussion as to whether towns and cities should contribute to rural schooling. One argument brought forward in support of contributions was the extent of the cityward migration of young people. Data was provided to indicate the trend towards larger administrative and financial units within school areas. A second contemplated reform, and further on the way to adoption than was the larger unit of administration, was replacement of the eight-four division of the curriculum by the six-three-three. Referring to existing conditions the Survey stated that about one-fourth wrote Departmental examinations and three-fourths were recommended. Progress towards similarity in the educational systems of the various

Provinces had continued, aided in an important way by the increasing number of Dominion-wide organizations of educationists.

The number of students enrolled in schools and colleges in Canada, as reported in the 1936 Survey was 2,444,243, as compared with 2,484,877 in 1935, and 2,527,558 in 1934. Of these 2,127,796 were enrolled in ordinary and technical day schools in 1936, as compared with 2,182,585 in the previous year and 2,237,188 in 1934. Total enrolment in courses of university standard was 44,585 in 1936; 40,933 in 1935; and 41,372 in 1934. Total expenditures on education in 1936 were $140,359,083 as compared with $136,040,659 in 1935, and $138,833,825 in 1934. Of the 1936 amount expenditures of universities and colleges were $18,768,302; of the 1935, $17,774,512; and of the 1934, $18,008,412.

A Report on evening classes in the Provincial School Systems showed that enrolment in 1936 in 263 centres was 67,327, or substantially greater than 60,318 in 1935, and 57,232 in 1934. Enrolment in evening technical schools which increased consistently between 1926 and 1931, declined sharply between the latter year and 1934; this was followed in 1935 and 1936 by a moderate increase. In contrast day technical enrolment increased uniformly between 1926 and 1933; this was maintained in the following years, 1934-36.

National Research Council

Improvement of industrial technique and the better utilization of Canada's resources in men and materials continued to be the keynote of the work carried on by the National Research Council of Canada during the year ended Mar. 31, 1936. Dr. H. M. Tory retired as President of the Council on May 31, 1935, after twelve years in that position, and was succeeded by Maj.-Gen. A. G. L. McNaughton.

Valuable work was done during the year 1935-36 in relation to the possible utilization of Alberta's natural gas, particularly with reference to making alcohol and benzine. Substantial contributions were made to the knowledge of the chemical principles of plants, notably poisonous plants, a menace to live stock. The laboratory developed a new method of measuring the tinting power of paints, and studied the weathering of paints and enamels. Chemical studies of asbestos, paper, rubber, textiles, etc., advanced during the year. In the biological and agricultural divisions research on wheat and barley received special attention, particularly with regard to increasing market ability. In the Physics and Engineering division the scope of the work was broad; it included weights and measures, radium, X-Ray, building materials and atmospheric electrical effects. Various instruments of practical use in industries were designed and completed and refinements in aerial survey photography and maps were effected. Considerable attention was given to aircraft landing gear and a new type of freight aircraft for use in the North was a a substantial contribution. Emphasis was placed on the importance of scholarships in national research work in order that Canadian university graduates of exceptional ability might be retained for service in Canada.

Dr. A. S. Mackenzie and Abbé Vachon were reappointed members of the National Research Council for another term of three years, as from Apr. 1, 1935. The two additional vacancies were filled by the appointment of the following: Prof. C. J. Mackenzie, Dean and Professor of Civil Engineering, University of Saskatchewan; Dr. H. E. Bigelow, Professor of Chemistry, Mount Allison University, Sackville, N.B. The revenue for the year was $658,326, including the Parliamentary appropriation of $522,615, and the total expenditure was $629,337.

The Annual Report of the National Research Council for 1934-35 stated that total public expenditure during the eighteen years of the Council's activities, up to Mar. 31, 1935, had been approximately $8,000,000, of which more than half had been for permanent work. The Report says: "It can be said without fear of contradiction that the National Research Council has already returned to the people of Canada in economic benefits far more than the total expenditure." The Report placed emphasis on the fact that other industrial countries, particularly Japan, Russia and Great Britain, have been spending relatively large sums and employing great staffs in research work similar to that for which the National Research Council of Canada was organized. The Report warned that no undertaking, whether it was in industry or agriculture could be built upon a sound foundation unless it was based on physics and chemistry. The revenue for the year 1934-35 was $522,449 including the Parliamentary appropriation of $391,953, and total expenditure $489,710.

Among the completed researches of the National Research Laboratories in the year 1933-34 were the following: the defrosting of refrigerated products; the suitability of Canadian clays for oil refining; the bonding of rubber to metal; the mechanization and standardization of baking tests; a streamlined locomotive; the chemical investigation of Canadian weeds poisonous to live stock; a comparative study of the suitability of Canadian wools for the manufacture of cloth; the determination of more efficient and economical procedure for power laundries in the washing of cotton fabrics; a refractory lining for steel furnaces; a new refractory brick designed to stand severe metallurgical conditions; some new and very promising results in connection with the magnesian products industry were obtained; the investigation of certain problems in connection with the stability of aircraft floats was completed for the Department of National Defence; a photoelectric method of determining the velocity of projectiles was devised and its application to the practical measurement of such velocities was demonstrated; a new type of apparatus for baking tests which could be applied to small quantities of grain was perfected, which would result in a great saving in time in plant breeding operations; a study was completed on the causes of premature seeding in turnips; tests to determine the better of two models of proposed preventative patrol cruisers for the R.C.M.P. were completed and put to practical use; a research to determine the cause and to correct the instability in aircraft used for photographic survey work was finished and will be put to use by the Air Force.

Commissions of Investigation, 1935 and 1936

Reports of Dominion Commissions of Inquiry made public during the two-year period are given in the following paragraphs. Of the Reports submitted in 1935 the one of most outstanding importance was that of the Price Spreads and Mass Buying Commission. Two Royal Commissions, respectively investigated subventions in connection with the Natural Resources of Alberta and Saskatchewan. Another studied the situation as to Dominion subsidies to the Maritime Provinces. An Inquiry into the Canadian Performing Right Society and similar bodies was in answer to numerous protests as to fees imposed. A charge of Miss Agnes MacPhail, M.P., against a Penitentiary Inspector necessitated an Inquiry as to the truth of such allegations. An aftermath of the General Election, 1935, was an Inquiry into election standards at Waterloo and Granby in the Province of Quebec. Complaints of relief camps in British Columbia for

single jobless men was the reason for the appointment of a Commission to look into the situation. Serious charges by the Hon. Peter Veniot as to the methods employed by members of the Royal Canadian Mounted Police against witnesses led to the appointment of another Commission. The question of unemployment amongst Ex-Service men and its cure was, at the request of the Canadian Legion, made the object of an Inquiry by the Dominion Government.

During the year 1936 several Commissions of Inquiry were appointed. At the end of the year they were either still sitting or summing up their findings and preparing their recommendations. The Anthracite Commissioner appointed to study the anthracite question presented his Report early in 1937; for convenience it is summarized in a following chapter. A Royal Commission investigated the textile industry during 1936; the Hon. W. F. A. Turgeon of the Court of Appeal of Saskatchewan was constituted Commissioner. The purposes of the Inquiry were in order to make available (1) an historical review of the industry to date; (2) an analysis of its present position; (3) a study of its interests and duties and (4) such further information as would assist the Government of Canada in reaching proper conclusions upon Questions affecting the industry and its employees and the public. Open meetings were held in the following cities and towns, Sherbrooke, Three Rivers, Montreal, Quebec, Montmagny, Louiseville, Valleyfield, Toronto, Dunnville, St. Catharines, Paris, Cornwall and Ottawa. Material essential to a proper treatment of some of the matters covered by the Commission was also obtained in Great Britain and in the United States. The appointment was the result of the Dominion Textile Company closing its rayon plant at Sherbrooke, Que., on Jan. 18, 1936, and throwing over a thousand hands out of work. Upon receipt of telegrams from the City Council of Sherbrooke, an officer of the Department of Labour had been immediately sent to Sherbrooke to report to the Government upon existing conditions.

The Report received by the Government revealed the necessity for a more searching investigation than was possible at the time either by officials of Government Departments or by the Tariff Board. It was believed that it could be done more effectively by the appointment of a Royal Commission. The Minister of Finance in a report to the Privy Council dated Jan. 24, 1936, observed that the sudden cessation of operations in industrial establishments, especially in the Winter season, at a time of wide-spread unemployment could not fail to render more acute the distress and suffering of wage earners and their dependants and also to place upon municipalities and governments additional and unexpected burdens of relief. He was further of the opinion that industry generally and especially an industry which had had for years the benefit of the protection afforded by the Customs tariff, should recognize its responsibility to carry on operations with due regard to its obligations to its employees and to the public and not to arbitrarily shut down its plants. The Minister recommended the appointment of Judge Turgeon as a Royal Commissioner for the purpose mentioned. His Report was submitted on Jan. 20, 1938; it will be noted in *The Canadian Annual Review, 1937 and 1938.*

Two other important Commissions were appointed in 1936. The Hon. W. F. A. Turgeon was appointed on June 27, 1936, a Royal Commissioner to inquire into the production, buying, selling, transporting and exporting of Canadian grains and grain products. The investigation opened at Winnipeg on Dec. 1, 1936, and continued into the following year. The

Hon. Joseph Archambault, a Judge of the Superior Court of Quebec, Mr. Harry W. Anderson, Toronto, and Mr. R. W. Craig, K.C., Winnipeg, were appointed on Feb. 27, 1936, a Royal Commission to inquire into and report upon the penal system of Canada. Mr. Anderson died on Apr. 29 and Judge Archambault met with two severe accidents which disabled him for several months. The Commission held its first meeting in Montreal on Sept. 9, 1936; and on the 16th Mr. J. C. McRuer, K.C., Toronto, was appointed to the vacancy caused by the death of Mr. Anderson. The Commission visited the Federal penitentiaries and many Provincial jails and reformatories and continued its investigations into the next year (1937).

Price Spreads and Mass Buying, 1934-1935

This Commission, which in June 1934, evolved from a Special Committee of the House of Commons, concluded its labours early in 1935 and in due time submitted its Report; on Apr. 12 it was tabled in the House. (For earlier history of Inquiry see *The Canadian Annual Review, 1934*, pp. 38-43). The whole Report, which comprised 499 pages, was not unanimous. Three Commissioners out of the eleven signed it with lengthy reservations, chiefly in connection with the livestock, tobacco and fisheries industries. One disagreed with the complete Report and presented a Minority Report of his own.

The Majority Report was signed by Messrs. W. W. Kennedy (Cons., Winnipeg S.-C.), Chairman; H. H. Stevens (Cons., Kootenay E.); Mark C. Senn (Cons., Haldimand); Alex. M. Edwards (Cons., Waterloo S.); Thomas Bell (Cons., Saint John-Albert); J. L. Baribeau (Cons., Champlain); and D. M. Kennedy (U.F.A., Peace River). The three who signed with reservations were Messrs. J. L. Ilsley (Lib., Hants-Kings); Oscar Boulanger (Lib., Bellechasse); and Samuel Factor (Lib., Toronto West Centre). The Minority Report was that of Mr. E. J. Young (Lib., Weyburn, Sask.). It had suggestions for lowered tariffs, increased foreign markets and less Government interference with business. "It will generally be found," it stated, "that prices will adjust themselves if we remove certain hampering restrictions and privileges which interfere with the free play of economic forces."

The Majority Report recommended long steps in the direction of State control of industry and commerce in Canada prompted by the double object of assuring workers and primary producers of a larger return for their work and of protecting consumers against profiteering whether by the sale of inferior products, exorbitant prices or stock jobbing. The main recommendation was the creation of a Dominion Trade and Industry Commission, empowered to enforce The Combines Investigation Act; to regulate industrial monopolies; to sanction and supervise agreements for industrial self-government; to maintain and promote fair competitive practices; to supervise or co-operate in administering laws relating to merchandising and business practice; to administer new protective laws for consumers; to regulate security issues for the protection of the investor; to act as referee in co-operation with Chambers of Commerce and Boards of Trade in business disputes; and to co-operate with all Government agencies in the solution of trade problems. As a part of the general scheme of regulating trade and industry and functioning either under the Dominion Trade and Industry Commission or some branch or Department of the Government, the Report proposed the creation of a number of boards to deal with particular phases of commercial and industrial life.

Amendments to the Combines Investigation Act were recommended: to facilitate the application of the Act to single unit monopolies as well as to combinations in restraint of trade, a definition of monopoly being given to be included in the Act; and to ensure that reports of inquiries by the registrar, when the inquiry had been such as a commissioner would make, should be subjected to the same provisions in respect of publication as were the commissioner's reports.

Another recommendation was Amendments to the Companies Act, prohibiting the issuance of no-par value stock, requiring the crediting of the full proceeds to capital account; prohibiting companies from distributing as dividends increases in asset values resulting from write-ups or appraisals, such funds to go into capital stock; increasing the responsibility of directors and promoters; insisting upon more complete publicity for company operation in prospectuses and annual reports; and preventing stock watering.

With regard to labour the Report recommended: better administration of existing labour laws, both Dominion and Provincial; miscellaneous improvements in this legislation; a few types of new legislation; more continuous study of, investigation into and publicity for the whole range of problems covered by labour and wages. Reduction of hours of work with a uniform 44-hour week for all Canada either by Federal or uniform Provincial legislation and improved and more strictly enforced minimum wage laws, were particularly specified. The extension of collective agreements between employers and employees was urged, and the encouragement of the organization of trade unions and greater recognition of unions by governments and employers were suggested. Encouragement of the formation of organizations of employers of labour was also recommended. In the Department of Labour the creation of a new research division was proposed to study industrial relations, disseminate information, draft model labour Statutes and plan Dominion-Provincial conferences on labour questions. The Minister of Labour under another proposal, should be aided by an "unpaid, permanent, representative, rotating and non-partisan advisory council."

The Report also recommended that The Industrial Disputes Investigation Act or the Inquiries Act should be amended, if necessary, and utilized to bring within the scope of public investigation a wider range of industries, but without restriction of the right to strike. The creation in the Federal Department of Labour of an entirely new division under thoroughly competent supervision, adequately staffed and financed for this purpose was suggested.

Other recommendations of the Commission were as follows: that fruit and vegetable growers should be placed under the Dominion Marketing Board; that minimum prices for primary products should be established; that a committee of fair practices should be appointed; that all processors should be licensed; that a live stock board with wide powers of supervision and inspection should be set up; that all shipments of live stock should be made to the public market where reasonably possible, and that all direct shipments to packers should be subject to similar rules as shipments to public yards. Amongst the suggestions for the betterment of the fishing industry were: encouragement of the co-operative movement; establishment of a control board and the gradual discontinuance of trawler operations.

The Commission found in the furniture industry that 84 per cent. of employees in 26 factories with 40 per cent. of the industry's output earned $13 a week or less and that pay for boys 18 and 19 years old

ranged up to $3 a week. The Report stated that the Commissioners were "satisfied that there is some international control of competition in tin plate" used in can manufacture in which "the price of containers is kept at an exhorbitant height while the price received by the growers has fallen to unprecedentedly low levels." It stated also that with respect to canning companies secret or discriminatory rebates to customers should be cut out.

Commenting on the milling industry the Report declared that unless flour milling companies wrote down their capital structures and capital value of their surplus capacity they were faced with bankruptcy; that if those who directed the milling industry persisted in maintaining costly structures, to the detriment of shareholders and the public at large, serious consideration would have to be given to complete regulation and control of the industry by the Government; that milling companies should not be permitted to make unauthorized use of their shareholders money for market speculation; and that in 16 months one company had lost more than $3,000,000 in operation which included speculation losses.

The Commission stated that while certain phases of departmental store operation were not to be commended the institution had built up for itself a deserved reputation for service to the public; and that chain stores had limited a large proportion of independent stores but statistics showed that the average life of independent stores was about six years. The Report had many references to "monopolistic control" exercised by corporations. Such control, the evidence showed, had prevented in the past free competition and, until the monopolies were regulated their activities would continue harmful to the body politic. The Report presented tobacco manufacturers as enriching themselves at the expense of their workmen and the primary producers. Enormous salaries and bonuses received by executives of tobacco companies were contrasted with the pittances paid employees and the distress prevailing among the growers. (See 1935 Legislation for Acts implementing the Commission's recommendations).

The last echo of the Price Spreads Commission was heard in the Commons on July 3, 1935, when Governor-General's Warrants for the expenses of the investigation amounting to $155,000 were presented for approval. The total cost while it was a Committee of the House was $196,783 and while it was a Royal Commission, $217,888, making a grand total of $414,672.

The Natural Resources of Saskatchewan and Alberta, 1935

The Natural Resources of the three Prairie Provinces were handed over by the Dominion Government in October 1930. Agreements then entered into declared that in addition to the return of unalienated resources, the Dominion should pay the subsidy in *lieu* thereof in perpetuity. Royal Commissions were to be appointed to inquire into and report on what considerations, if any, should be paid to each of the Provinces in order that they might be placed in a position of equality with the other Provinces at Confederation with respect to the administration and control of their Natural Resources from Sept. 1, 1905. The Manitoba Commission was appointed in 1930 and concluded its Inquiry during the same year. The Province had been awarded a lump sum of $4,584,000. (This Province was found not to have been as generously treated as the other two).

The Saskatchewan Commission was not appointed until Dec. 29, 1933, and the Alberta body, July 19, 1934. Both Reports were tabled in the

House on Mar. 14, 1935. Pending completion of the Inquiry relative to the Resources of Alberta, which began only when the hearings in the Saskatchewan Inquiry had been completed, the Report of the Saskatchewan Commission was delayed in order to ensure that the two investigations, having so much in common had been dealt with "by similar methods and upon consistent principles." The Hon. Andrew K. Dysart, Judge of the Court of King's Bench of Manitoba, was the Chairman of both Commissions. George C. McDonald, Chartered Accountant, Montreal, served as a Member on both. The Hon. Henry V. Bigelow, Judge of the Court of King's Bench of Saskatchewan, was the third Member on the Saskatchewan Commission and the Hon. T. M. Tweedie, Judge of the Court of King's Bench of Alberta, was the third Member on the Alberta Commission.

Both Reports recommended payments by the Dominion Government of $5,000,000 to each of the Provinces with additional interest at 5 per cent. *per annum* from Oct. 1, 1930, to Mar. 31, 1935, and to a later date according to whatever agreements might be reached by the Governments concerned.

The Majority Report of the Saskatchewan Commission was signed by Mr. Dysart and Mr. McDonald. In his Minority Report Mr. Justice Bigelow stated his conclusion that Saskatchewan in the twenty-five years within Confederation would have realized at least $58,000,000 from the Natural Resources of the Province. It was reasonable, he thought, that "some interest should be paid by the Dominion on whatever was due." A note by the Chairman was contained in the Report for Saskatchewan. In effect it expressed the view that Mr. Justice Bigelow's dissent was based largely on the Manitoba award of 1928-29; that his stand was basically unsound; and that he had over-estimated the compensation awarded Manitoba by about $3,000,000 and under-stated by several million acres the area of Manitoba lands alienated.

George C. McDonald, Montreal accountant, who sat on both Commissions, filed a separate statement in which he expressed the view that without further payment both Provinces had already been well compensated in respect of natural resources; but explained that he had signed because he realized the urgent need of settling the claims and that wide latitude was demanded in their treatment.

Maritime Subsidies, 1935

The Report of the Royal Commission, appointed Sept. 14, 1934, of which the Rt. Hon. Sir Thomas White was Chairman, to deal with the recommendation of the Duncan Commission (See *The Canadian Annual Review, 1926-27,* p. 361) that there should be a revision of the financial arrangements between the Dominion Government and the Governments of the Maritime Provinces, was tabled in the House of Commons by the Rt. Hon. Sir George Perley, Acting Prime Minister, on Mar. 4, 1935. The Report stated that an assessment in detail of each claim of the three Maritime Provinces was manifestly unpractical. The Commission had considered equitably the claims in the aggregate and had "assigned to each its due weight according to our best judgment and making our recommendation in the form of special additional annual subsidies to the Maritime Provinces respectively." These special additional annual subsidies were to commence in the fiscal year 1935-36; and were to be distributed as follows: to Nova Scotia, $1,300,000; to New Brunswick, $900,000; and to Prince Edward Island, $275,000. The recommended additional subsidies were to be in substitution for the interim yearly

subsidies recommended by the Duncan Commission, which were: Nova Scotia, $875,000; New Brunswick, $600,000; and Prince Edward Island, $125,000. In addition, the regular annual approximate subsidies of $653,000 to Nova Scotia, $693,000 to New Brunswick, and $382,000 to Prince Edward Island, were to be continued. The annual additional subsidies, represented, on a 5 per cent. basis, capitalized: Nova Scotia, $26,000,000; New Brunswick, $18,000,000; and Prince Edward Island, $5,500,000.

Sir Thomas White and Mr. E. W. Nesbitt, former Member of Parliament for North Oxford, signed the Majority Report. The Hon. J. A. Mathieson, of Prince Edward Island, found himself unable to concur and submitted a Memorandum of dissent, claiming the proposed increases were inadequate. The Minority Memorandum stated: "From early days one first requisite to granting additional aid by the Dominion to a Province was proof of fiscal need arising from causes for which the Province was not responsible. . . . The practice which has existed from early days of dealing with single Provinces or groups of Provinces without due regard to the interests of all, may bring about a condition of grave unrest, not free from danger to Canadian unity."

The Canadian Performing Right Society, Limited, 1935

A new schedule of fees, filed with the Department of the Secretary of State by the Canadian Performing Right Society early in 1935, caused vigorous protests from theatres, individual artists, hotels, restaurants, fairs, rinks and other entertainment interests. This Society, incorporated in 1925, with a Head Office in Montreal, controlled approximately two million works, but this *repertoire* included innumerable works many of which were out of print and rarely, if ever, performed. Ninety per cent. of the works were popular and modern music. The Canadian Performing Right Society acquired its rights by assignment from the American Society of Composers, Authors and Publishers of New York; and the Performing Right Society, and affiliated Societies of London, England. Authors, composers and publishers in Canada were not members in the Canadian Performing Right Society nor could they be until the constitution of the Society was changed. The Society did not control the performing rights in operas, musical plays, etc., when performed in their entirety, or vocal excerpts therefrom; it exercised only what were known as the "Small Rights" as distinct from the stage or dramatic rights.

On Mar. 22, 1935, His Honour, Judge James Parker of Toronto, was appointed by the Dominion Government as a Commissioner to investigate and report as to whether the Canadian Performing Right Society, Limited, or any other similar body: (1) unduly withheld the issue or grant of licences in connection with the performance of such works in Canada; (2) proposed to collect excessive fees, charges or royalties in compensation for the issue or grant of such licences; (3) conducted its operations in Canada in a manner deemed detrimental to the interests of the public. In particular the Commissioner was charged to investigate and report on the fees, charges or royalties, which the Society should be entitled to collect and the basis on which such should properly be computed. The Commission sat in Toronto, Montreal, Ottawa, Halifax, Moncton, Winnipeg and Regina and heard 143 witnesses. During his evidence the President of the Society stated that as a copyright lasted for fifty years only, about 500 works left the control of the Society each week.

The Report of the Commissioner, dated Toronto, Dec. 29, 1935, went fully into the legal questions involved in the law of copyright and noted the more important objections raised to the tariff of fees. The Com-

missioner thought that small fairs, community halls, parks and other miscellaneous users should be exempt from fees, provided that no promoter used these various institutions as a means to enable him to profit by the performances. The Report stated, that it seemed unfair that any substantial fee should be collected from small restaurants; that as for skating rinks, sport grounds, etc., a small charge seemed more reasonable than the microscopic tariff adopted by the Society; that any fee charged the Canadian National Exhibition should be after reasonable negotiation and, failing negotiation, it should be submitted to an Appeal Tribunal; and that, with respect to broadcasting, the existing system based on the number of receiving sets within effective range of a station, etc., should be continued. With regard to theatres the Report declared that the 1935 tariff was excessive, and that the 1931 tariff, which gave a fair return to the Society, should be restored.

The MacPhail-Dawson Charges, 1935

The Report of the Commissioner, Mr. E. J. Daly, appointed by the Dominion Government to investigate charges made by Miss Agnes MacPhail, Member of Parliament for South-east Grey was tabled in the House on July 28, 1935. Derogatory remarks toward Miss Agnes MacPhail by J. D. Dawson, Inspector, at Kingston Penitentiary, had been attributed to him in an affidavit by A. G. Hall, former convict. The Commissioner, who investigated a conversation alleged by Hall to have taken place between him and Dawson, found that Dawson had made no such remark and no remark on which any such interpretation might be placed and further, that Miss MacPhail's name was never mentioned by him (Dawson). In reaching his decision the Judge had to decide on the truth or falsity of contradictory statements. There were no witnesses at the interview. Hall swore that Dawson had made the statement and Dawson swore that he had not. The Judge said that he took into consideration the evidence of other witnesses bearing on the credibility of the two men, the record of each and his bearing in the witness box.

Construction of Waterloo (Quebec) Post Office, 1935

The Report of the Commissioner (Hon. Alfred Forest) appointed in 1934 to investigate circumstances with regard to the construction of a Post Office at Waterloo, Quebec, was submitted to the Minister of Public Works and made public on Mar. 20, 1935. After hearing 27 witnesses and studying numerous documents, the Commissioner reached the conclusion that the land for the building had been purchased at too high a cost and that proceedings should follow against certain men. "In future", the Report continued, "the Department of Public Works at Ottawa should give much greater supervision to the execution of contracts granted to contractors, and should no longer tolerate the introduction of patronage by Members of Parliament or political organizers who, in the present case, have acted by influence, fraud and false representations against Gustave Gingras, Superintendent of Works, a man not lacking in energy and loyalty, and caused the Public Treasury to lose considerable sums of money, in respect of the total cost of purchase of lands for the construction of the Post Office at Waterloo, amounting to $41,225."

The Commissioner recommended: (1) that the Dominion Government should institute proceedings against Hormisdas Forand, E. Pinsonnault and Robert Bachand to recover $3,050 paid uselessly for the cost of a piece of land later found too little for the site of the new Post Office, and to bring Hormisdas Forand criminally before the courts; (2) that the

Department of Public Works "should stop the interference of Members of Parliament and political organizers in enterprises of this nature"; and (3) that civil action should be entered against a number of individuals, specifically mentioned in the Report, connected with the erection of the Post Office. Concluding his Report, the Commissioner declared that electoral standards at Waterloo and at Granby, in the County of Shefford (Quebec), were absolutely depraved. Further, he believed, he stated that "such public men as M. Ernest Boivin, ex-M.P., and Robert Bachand, notary and M.P.P., deserve to be put under the ban of public opinion and declared unworthy of any function as representatives of the people." (The Canadian Press dispatch, Mar. 20).

British Columbia Relief Camps, 1935

The Report of the Royal Commission appointed by the Dominion Government to investigate conditions in the Relief Camps of British Columbia, established by the Department of National Defence, was tabled in the House of Commons by the Minister of Defence (the Hon. Grote Stirling) on June 11, 1935. The Commission, composed of the Hon. W. A. Macdonald, Mr. C. T. McHattie and the Rev. E. D. Braden, all of Vancouver, investigated all and any complaints which had been made against the administration and management of the camps for the care of single, homeless, unemployed men.

In addition to public hearings in the larger centres in British Columbia, the Commissioners visited 46 separate camps and examined 277 witnesses. All witnesses were questioned as to matters which were likely to create a grievance in camp life, such as food, cooking, sleeping accommodation, sanitation, medical attention, recreation, consideration of complaints and other matters. The Commissioners stated that they were quite satisfied that the officers commanding military districts Nos. 11 and 13 with headquarters at Esquimalt and Calgary were properly performing their duties in administering and managing the camps, and that they were acting with fairness and ability in discharging a new and difficult task; that, definitely, no evidence had been disclosed to bear out charges of militarization; that, generally, the camps "reasonably fulfilled their object." In the main, lodging, food, sanitation, housing, clothing, administration, etc., were satisfactory, but with regard to certain camps, the criticism was scathing as to lavatory, latrine and wash facilities; these were described by the Commissioners as "disgraceful, crude, unsightly and dirty."

As to detailed charges against certain conditions the Report found: tampering with mails—that this had not been supported by evidence; the foremen—that, as a whole, they acted properly and patiently but as to individual cases, the charges were well founded; food—that supplies had been found to be satisfactory and no complaints had been substantiated except in the case of milk and meat, the former having been rectified and the latter being a reflection against contractors; beds—that remedies had been made, but as complaints were still existing, consideration was being given to the issue of cotton sheets; general cleanliness—that it was characteristic of the men in camps to be clean; that steps were being taken to cope with vermin; and that one camp, infested with rats, was receiving attention; medical attention—that lack of medical care had not been substantiated by evidence; tobacco—that the system of issuing tobacco should be changed; clothing—that it would not be beneficial to give to the campers a cash allowance in lieu of clothing; recreation—that a general complaint had been voiced in all of the

camps regarding inadequate facilities and appointments and it was suggested that a system of leave be granted. The Report also stated that the chief cause of discontent and unrest was the absence of an adequate wage for workers in the camps; and that a grave fear was felt that morale and incentive would gradually disappear with the continuance of the camps.

The Report stated further that the Commission had received a communication from the Secretary of the Relief Camp Workers' Union, which was responsible for the organization of "the impending walkout strike action of relief camp workers on Apr. 4 (1935);" that the Secretary desired to know "the extent of the power of the Commission to grant the seven demands of the relief camp workers on which the struggle is based, and added that the strike action would take place as scheduled."

As it was apparent that the demands of the Union were outside the scope of the Inquiry the Secretary had been so informed, it was stated. The seven demands were, briefly: 1. Work with wages at 50 cents an hour for unskilled labour; trade union rates for skilled work, six hours a day, five days a week with a minimum of 20 days' work a month. 2. Compensation Act benefit for all men in relief camps and first aid equipment on all jobs. 3. Abolition of "all military control with their system of blacklisting." 4. Democratically elected committees to be recognized in every camp. 5. Institution of a system of non-contributory unemployment insurance based upon "the workers' Bill of social and unemployment insurance." 6. All workers to be given their democratic right to vote. 7. Repeal of Section 98 of the Criminal Code, Sections 41-42 of the Immigration Act, vagrancy laws, and all "anti-working class laws."

Charges Against the R.C.M.P., 1935

The Hon. Peter J. Veniot, Liberal Member of the House of Commons for Gloucester, N.B., made repeated charges against certain members of the Royal Canadian Mounted Police Force in New Brunswick. During the 1934 Session of Parliament his allegations had been the object of an Inquiry by the Force itself, the findings being that the charges were unfounded. Again during the 1935 Session Mr. Veniot charged that patrol boats of the Force supposed to be on coastal patrol in the Harbour at Bathurst were tied up in the Harbour while smugglers operated a short distance away. Other charges were to the effect that members of the Force used the third degree methods against witnesses; and that they illegally burned food stores from the liquor vessel, *Paul T.* at Shippigan while 150 persons, many of them on relief, watched the destruction.

On Mar. 13, 1935, the Minister of Justice, the Hon. Hugh Guthrie, announced that the Hon. J. B. M. Baxter, Chief Justice of New Brunswick, had been appointed as a Royal Commissioner to investigate the charges. Mr. Veniot, in the House, drew attention to the fact that Mr. Baxter and he had been "the two bitterest political opponents in the Province" (Mr. Baxter became Prime Minister of New Brunswick in 1925 upon the defeat of the Liberal Government headed by Mr. Veniot). However, he stated that he welcomed the investigation and offered to resign his seat if he could not prove the charges. The investigation opened at Fredericton on May 2 but Mr. Veniot did not attend. After hearing a number of witnesses the Commission adjourned to Bathurst where Mr. Veniot attended and testified on May 17.

In his Report tabled in the House on June 5, 1935, the Chief Justice gave the Royal Canadian Mounted Police complete exoneration. Two of

the charges of third-degree methods in use by the police were "definitely disproved," the Commissioner found, while no evidence was adduced at the hearing to substantiate charges of dereliction of duty on the part of the Smuggling Preventive Force as charged, nor of irregularities in connection with the destruction of liquor cargo and food supplies on the seized vessel, *Paul T.*, at Bathurst.

No debate arose on the Report but Mr. Veniot explained that his charge as to the burning of food stores of the *Paul T.* had been based on the answer tabled in the House by the Secretary of State to his (Mr. Veniot's) question as to the matter. This reply, Mr. Veniot stated, was not the answer which appeared in *Hansard,* which had shown that the *Paul T.* had been seized by the Provincial Government and handed over to the Dominion Government for disposal. He had been given to understand in the answer passed to him by a House page that no specific instructions had been issued the Police to destroy food stores on the seized vessel, whereas the official record indicated that such orders had been given. His charge had been based upon the first information reaching him.

Mr. Cahan explained that in tabling copies of the answer to Mr. Veniot's question one of the copies was a draft answer that had not been finally adopted, and it must have inadvertently been handed to the questioner, while the more complete answer was kept for the records. In answering such questions a copy is customarily passed to the questioner, although the official answer is that which is printed on the records of the House.

Employment for Ex-Service Men, 1935

Following representations made by the Canadian Legion an Order-in-Council was passed on Mar. 12, 1935, appointing a Commission to investigate the best means of dealing with unemployment in the ranks of ex-Service men. The Commission, consisting of the Hon. J. D. Hyndman, Chairman of the Pension Appeal Court, Ottawa, Col. C. Basil Price, Montreal, and Mr. W. B. Woods, Toronto, after an exhaustive Inquiry, submitted their Report to the Government a few months later. On June 3, it was tabled in the House of Commons by the Minister of Pensions and National Health, the Hon. D. M. Sutherland.

The chief recommendation was the appointment of a Commission to study ways and means of re-establishing ex-Service men; the three members of the Commission should represent the Government, industry and war veterans, respectively—the Government member should be Chairman and should also be an *ex-officio* member of the Veterans' Assistance Commission which was to be set up under the Employment and Social Insurance Act. Suggestions as to fields of employment for veterans were listed in the Report: these included gold-mining, pulp and paper, radio licence collecting, corps of *commissionaires* if established in the principal cities of Canada, Dominion and Provincial public works, post offices, harbours, civil service, and C.N.R. service.

With regard to veterans of the Imperial Force, the Report recommended that the date of domicile should be extended from Dec. 1, 1924, to Jan. 1, 1935; that these should receive, if participants in the theatre of active war, the same "relief" treatment as Canadian veterans who had served overseas. The Report suggested that the term "relief" when applied to veterans should be changed to "unemployment assistance." With regard to this system it asked that the existing voucher plan be

discontinued and cash payment substituted; that the maximum basic rate of the Department should be equivalent to $11.50 a month for a man with one dependant, $15.50 for one with two, $19.50 for a man with three, and an additional $3 a month for each dependant in excess of three.

Unemployed Canadian War veterans (active service) were estimated at 38,000 by the Report. Unemployed veterans of the Imperial Force were believed to be between 10,000 and 15,000. Of the 426,531 enlistments (active service), 341,500 were still alive of whom 74,500 were pensioners. Approximately 85 per cent. or 227,000 non-pensioners were still resident in Canada, of whom 29,500 were in receipt of relief assistance from municipalities, and 8,500 pensioners on Departmental relief. Government expenditure on Canadian soldiers since demobilization totalled $1,131,722,638 the largest item of which was for War Pensions, $615,448,891 (up to Dec. 31, 1934).

"In broad outline the Report is very satisfactory," Brig.-Gen. Alexander Ross, Dominion President of the Canadian Legion, stated, according to a Canadian Press dispatch from Ottawa (June 4, 1935). "In the first place it almost unreservedly accepts as established the facts upon which the Canadian Legion based its request for the Inquiry and which we submitted to the Commission as requiring remedial action. Next, it is obvious that the Commission was clearly of the opinion that the responsibility for the care and maintenance of unemployed ex-Service men, and particularly the handicapped and the disabled, should not be left to be a matter of chance but should be a national responsibility."

Anthracite Inquiry, 1936

The importation and distribution of anthracite in Canada again came under investigation by the appointment of Dr. H. M. Tory, former head of the National Research Council of Canada, as Royal Commissioner. A previous Inquiry had been conducted in 1932 by Mr. F. A. McGregor, Registrar under the Combines Investigation Act. (See *The Canadian Annual Review, 1934,* pp. 206-7). Hearings by Dr. Tory began in Montreal on July 8, 1936, and were continued in Toronto, Quebec, Halifax, Saint John and Ottawa. They were conducted in public and occupied 38 days. In all 106 witnesses were heard.

The Report of Dr. Tory, presented to the Minister of Labour and bearing the date, Feb. 3, 1937, fills 120 pages. Six sections cover sources of supply, selling organizations in exporting countries, agreements between exporting and importing companies, importations as to availability, price and quality, and a general discussion. Among the conclusions of the Commission was this: "That no evidence was found as to price-fixing arrangements. . . . The large importer or dealer sets his price and nearly everyone follows suit. This apparently has become a habit from long usage. The habit seems to carry with it the implication that anyone who breaks the price is unethical."

Some of the recommendations were: that, as there was freedom in competition in the importation of anthracite, every effort should be made to maintain that position; that importations should come directly from the country of origin and not as in the past through agencies already controlling competitive supplies in other countries; that to this end enforcement of the Combines Investigation Act should be continued; that encouragement should be given to every effort to establish co-operative organizations; that there should be more vigorous use on the part of the municipalities of their power to eliminate frauds and other abuses; and that all anthracite entering Canada should be classified

in five well-known classes. The Commission was surprised to find so little information available as to the quality of imported anthracite. It recommended that continuous and systematic analyses of anthracite entering Canada should be made.

The Dominion of Canada

The Governor-General	His Excellency the Rt. Hon. Lord Tweedsmuir, P.C., G.C.M.G., C.H.

The Canadian Ministry (Liberal)

(As at Dec. 31, 1936)

Prime Minister, President of the Privy Council, and Secretary of State for External Affairs	The Rt. Hon. W. L. Mackenzie King, C.M.G., LL.D.
Minister without Portfolio and Leader of the Government in the Senate	The Hon. Raoul Dandurand, LL.D.
Minister of Mines and Resources	The Hon. Thomas A. Crerar
Minister of Justice and Attorney-General	The Hon. Ernest Lapointe, LL.D.
Minister of Public Works	The Hon. P. J. Arthur Cardin, K.C.
Minister of Finance	The Hon. Charles A. Dunning
Postmaster-General	The Hon. John C. Elliott, D.C.L.
Minister of Trade and Commerce	The Hon. William D. Euler
Secretary of State	The Hon. Fernand Rinfret
Minister of National Defence	The Hon. Ian Alistair Mackenzie, LL.B.
Minister of Pensions and National Health	Major the Hon. Charles G. Power, M.C.
Minister of National Revenue	The Hon. James L. Ilsley
Minister of Fisheries	The Hon. Joseph E. Michaud
Minister of Labour	The Hon. N. McL. Rogers, B.C.L. (OXON.)
Minister of Transport	The Hon. Clarence D. Howe, B.SC.
Minister of Agriculture	The Hon. James G. Gardiner, LL.D.
Speaker of the House of Commons	The Hon. Pierre F. Casgrain

Chief Dominion Officers

Clerk of the Privy Council	E. J. Lemaire, C.M.G.
Clerk of the Senate	Austin Ernest Blount, C.M.G.
Clerk of the House of Commons	Arthur Beauchesne, C.M.G., K.C., LITT.D., LL.D.
Secretary to the Governor-General	A. S. Redfern
Auditor-General	Georges Gonthier, D.C.S., LL.D.
Deputy Minister of Public Works	James Blake Hunter
Deputy Minister of Mines and Resources	Charles Camsell, C.M.G., LL.D., F.R.S.C.
Superintendent of Insurance	George D. Finlayson, A.I.A.
Deputy Minister of Justice	W. Stuart Edwards, C.M.G., K.C.
Under Secretary of State for External Affairs	O. D. Skelton, M.A., PH.D., LL.D.
Deputy Minister of Fisheries	William A. Found
Deputy Minister of Transport	V. J. Smart, C.E.
Deputy Minister of Trade and Commerce	Major J. G. Parmelee, O.B.E.
Deputy Minister of Agriculture	George S. H. Barton, C.M.G., D.SC.A.
Deputy Minister of Finance	W. C. Clark, C.M.G., M.A., LL.D.
Deputy Minister of National Defence	Lt.-Col. L. R. LaFleche, D.S.O., R.O.
Deputy Minister of Pensions and National Health	Lt.-Col. R. E. Wodehouse, O.B.E., M.D.
King's Printer	J. O. Patenaude, I.S.O.
Under Secretary of State and Deputy Registrar-General	E. H. Coleman, K.C., LL.D.
Deputy Minister of Labour	W. M. Dickson
Deputy Postmaster-General	Lt.-Col. J. A. Sullivan, LL.B.
Parliamentary Librarian	Hon. Martin Burrell
General Librarian	Felix Desrochers, K.C.
Chairman, Civil Service Commission	Charles H. Bland
Civil Service Commissioner	Adrien Potvin
Civil Service Commissioner	James H. Stitt
Chief Electoral Officer	Jules Castonguay
Registrar of the Supreme Court	James F. Smellie, K.C.
Dominion Franchise Commissioner	Col. J. T. C. Thompson, D.S.O.
Dominion Archivist	(Vacant)
Commissioner of Customs	Hugh D. Scully
Commissioner of Excise	David Sim
Commissioner of Income Tax	C. Fraser Elliott, K.C.
Commissioner of Royal Canadian Mounted Police	Maj.-Gen. Sir J. H. MacBrien, K.C.B., C.M.G., D.S.O.
President, National Research Council	Maj.-Gen. A. G. L. McNaughton, C.B., C.M.G., LL.D.
Master of the Royal Canadian Mint	J. H. Campbell, O.B.E., I.S.O.
Dominion Statistician	R. H. Coats, LL.D., F.S.S. (HON.), F.R.S.C.

Chief Dominion Officers—*Continued.*

Comptroller of the Treasury	Watson Sellar
Inspector-General of Banks	C. S. Tompkins
Registrar, Exchequer Court	Arnold W. Duclos
Commissioner of Patents	James T. Mitchell
Chief of Air Services, Department of Transport	Lieut.-Com. C. P. Edwards, O.B.E.
Director of Marine Services, Department of Transport	Robert K. Smith, K.C.
Director, Mines and Geology Branch, Department of Mines and Resources	John McLeish
Director, Lands, Parks and Forests Branch, Deputy Commissioner of Northwest Territories, Department of Mines and Resources	Roy A. Gibson
Director, Surveys and Engineering Branch, Department of Mines and Resources	James M. Wardle, C.E., B.SC., M.E.I.C.
Director, Indian Affairs Branch, Department of Mines and Resources	Harold W. McGill, M.C., M.D.
Director, Immigration Branch, and Director of Soldier Settlement, Department of Mines and Resources	F. C. Blair
Chief Commissioner, Board of Railway Commissioners	The Hon. Hugh Guthrie, K.C.
Chief Commissioner, Board of Grain Commissioners	E. B. Ramsay
Chairman, Tariff Board	The Hon. G. H. Sedgewick, C.M.G., K.C.
Chairman, National Harbours Board	Ralph O. Campney
Chairman, Federal District Commission	F. E. Bronson

IMPERIAL AND INTERNATIONAL RELATIONS

Imperial Events of 1935-1936

A Silver Jubilee of a beloved Monarch; his death seven months later; the accession of the Prince of Wales to the Throne; his abdication before the end of a year; and the proclamation of the Duke of York as his successor—these are the critical and dramatic incidents to be recorded in the history of Canada's relations with the Empire during the twenty-four months under review.

Seldom before in British history had there been such a universal welling up of loyalty toward the Crown and pride in the Empire's unity and achievements as that which characterized the Silver Jubilee year of the reign of Their Majesties King George V and Queen Mary. The Empire's joy was shared by millions of people in other lands who were able, through the instrumentality of the radio, to follow the proceedings of the main functions in the Imperial Capital during the two weeks' Celebration in May, 1935.

The impressive service at St. Paul's was the high point in the Jubilee ceremonies. Here the King and Queen knelt before the high altar and dedicated themselves anew to the service of the Empire. Surrounding them were other members of the Royal Family, members of the peerage and their families, leading statesmen of Great Britain and the Dominions and distinguished representatives of other countries. Thanksgiving was offered to God for mercies vouchsafed to the Sovereign and the peoples during the preceding twenty-five years. The Cathedral was a brilliant sight. Ten thousand people, many of them in brilliant uniforms, crowded the great edifice and its approaches. Outside, three million people lined the way to and from Buckingham Palace. Fifty million people in the British Isles, five hundred million throughout the Empire and hundreds of millions outside of the Empire listened to the service and shared momentarily, at least, in British ideals and traditions.

On the evening of May 6 the King broadcast to his far-flung Empire a message in which he rededicated himself solemnly to the service of all his peoples. His Majesty said that he looked back on the past with thankfulness to God. "My people and I have come through great trials and difficulties together. . . . I dedicate myself anew to your service for the years that may still be given to me." He looked forward to the future with faith and hope. He told his children-subjects that they were the citizens of a great Empire; that they should keep this thought before them as they grew up so that when the time came they should be ready and proud to give to their country the service of their work, their minds and their hearts.

To commemorate the Jubilee by benefiting all sections of the youth of Great Britain who were denied the opportunity of healthful recreation, King George's Jubilee Trust was organized by the Prince of Wales. In Canada the Jubilee was especially marked by the establishment of the King George V Jubilee Cancer Fund. Sir Ernest MacMillan, Dean of the Faculty of Music at the University of Toronto, composed a special anthem which was sung at Jubilee services in Canada, the proceeds of the sale

going to the Cancer Fund. Silver Jubilee medals were distributed throughout the Empire to those who had rendered distinguished service as citizens. Several thousands of Canadians were numbered among the recipients.

In his last and well-remembered broadcast address on Dec. 25, 1935, from Sandringham, the King extended a warm Christmas greeting to his subjects throughout the Empire. Referring to the enthusiastic Jubilee Celebrations, His Majesty said: "How could I fail to note in all the rejoicing, not merely respect for the Throne, but a warm and generous remembrance of the man himself who, may God help him, has been placed upon it."

Other incidents concerning the Royal Family during the year 1935, included the birth of a son on Oct. 9, to the Duke and Duchess of Kent; the marriage of the Duke of Gloucester, fourth son of the King, on Nov. 29 to Lady Alice Montagu-Douglas-Scott, daughter of the seventh Duke of Buccleuch; and the death, on Dec. 3, of Princess Victoria Alexandra Olga Mary, sister of His Majesty.

The Death of King George V; the New King, 1936

The news of the King's death reached his anxious subjects early in the morning of Jan. 21, 1936. Several days previously his illness had been announced—a chill contracted while riding around his estate at Sandringham. His Majesty lay in state in Westminster Hall from Jan. 23 until the 28th when burial took place in St. George's Chapel, Windsor, after an impressive funeral attended by representatives of thirty-one nations.

Expressions of sympathy reached Buckingham Palace from all over the world. The Prime Ministers of the Dominions immediately sent messages of sympathy and expressions of loyalty to the new King. President Roosevelt cabled to the new Monarch the heart-felt sorrow of the people of the United States, and a personal message of sympathy to Queen Mary. As on the death of Queen Victoria, the United States' House of Representatives adjourned its Session after its Chaplain had offered prayers. In Washington, flags flew at half-mast on the British Embassy, and on the Canadian, Irish Free State and South African Legations. The Secretary of State (Mr. Cordell Hull) and his aides made formal personal calls at the offices of the British representatives. In Berlin, Chancellor Hitler and Sir Eric Phipps, British Ambassador to Germany, attended a requiem Church of England service at St. George's. At a similar service in Rome, King Victor Emmanuel and Premier Mussolini were present. In Tokyo, Cairo, Nanking and other national capitals tributes were paid to the memory of the dead Monarch. A dispatch from Vatican City on Jan. 21 stated that His Holiness Pope Pius XI had offered a special prayer for the repose of the soul of George V who had broken tradition by omitting from his Coronation Oath, the customary references to the Catholic Faith, references which had been included in the Coronation Oath since the time of Henry VIII.

Parliament had met on Jan. 21 to swear allegiance to the new King, the Prince of Wales, George V's eldest son. Proclamations were issued the next day, announcing his accession and his title as Edward VIII. In taking the solemn Oath of Accession before the Members of the Privy Council, the new King recalled King George's unswerving devotion to constitutional government and declared: "In this I am determined to follow my father's footsteps, and to work as he did throughout his life for the happiness and welfare of all classes of my subjects."

King Edward's first proclamation was issued to Great Britain's armed forces and was immediately broadcast throughout the Empire. In it he expressed his confidence that "I can rely on the unswerving allegiance of all ranks of the military forces of the Crown throughout the Empire." Similar messages were sent to the Navy and to the Royal Air Force. On Mar. 1 His Majesty delivered his first message as King to his peoples throughout the Empire in a radio broadcast. He referred to the death of his father and to the world-wide tributes to his memory; and then he added: "It falls upon me to succeed him and to carry on his work. I am better known to most of you as the Prince of Wales—as a man who, during the War and since, has had the opportunity of getting to know the people of nearly every country of the world under all conditions and circumstances. And though I now speak to you as the King, I am still the same man who has had that experience, and whose constant effort it will be to continue to promote the well-being of his fellow-men."

On Apr. 2, the Prime Minister (Mr. Baldwin) announced in the House of Commons that the Coronation of King Edward would take place in May, 1937, probably on Thursday, May 27; later, the ceremony was set for May 12, 1937. During the same Session, on Apr. 28, a Select Committee of the House of Commons recommended a Civil List for the King totalling 410,000 pounds as compared with the 470,000 pounds received by King George. Until King Edward married 40,000 pounds of the total was to remain undrawn.

A distressing incident of King Edward's short reign occurred during a ceremonial presentation of new colours to the Brigade of Guards on July 16. The King had just concluded an address to the red-coated guardsmen lined up before him, with a moving appeal for world peace. While His Majesty was returning along Constitution Hill a man broke through the police cordon and a loaded revolver fell into the roadway near the King's horse. His Majesty remained calm and rode straight ahead. The cause of the commotion, George Andrew McMahon, was removed by the police. Later, his solicitor claimed that there had been no attempt and no intention of assassination. It was stated that the incident had no political significance. After a short imprisonment the man was released.

Four months later arose the constitutional crisis in regard to the King's proposed marriage. There had been rumours throughout England and in the Press of the United States for some months veiled references to a growing friendship between King Edward and Mrs. Ernest Simpson of London. The announcement that Mrs. Simpson had been granted a divorce on Oct. 27, 1936, had let loose further speculative discussions in the Press of the United States. In England matters were precipitated by an address of the Bishop of Bradford to the Bradford Diocesan Conference on Dec. 1 during which he warned the King that he needed the Grace of God as much as any of his subjects. Bishop Blunt's caution came at the close of his speech in which he took the Bishop of Birmingham to task for suggesting that the religious ceremony in connection with the Coronation should be curtailed. The Bishop of Bradford said that in his public capacity at his Coronation the King stood for the English people's idea of kingship.

Born in Baltimore, Maryland, in 1896, the only child of Mr. and Mrs. T. Wallis Warfield, both of whom were descendents of old English families, Mrs. Simpson's first marriage had been in 1916 to Lieutenant Earl Winfield Spencer. She had secured a divorce in 1925 and three years later had married Mr. Ernest Simpson, her former husband having

married shortly after the granting of the divorce decree. Mr. Simpson, who was born in Canada, was a graduate of Harvard and had served during the Great War with the Coldstream Guards. After the War he had returned to New York to engage in his father's shipping business. He had terminated his first marriage, married Mrs. Spencer and then moved to London, where he and his wife entered the circle of the Prince of Wales.

Following the statement made by the Bishop the matter became the subject of general newspaper discussion. *The Times* appealed editorially on Dec. 3 to King Edward for "some authoritative statement" to "end once and for all" rumours surrounding the Throne. The newspaper made no direct mention of anyone; but asserted that reports in the United States were "doing infinite harm in that country and the British Dominions." Conceding that the King was "entitled to his relaxation and companionship with chosen friends," *The Times* added: "What we cannot and will not afford—what the nation and the Empire cannot afford—is that the influence of the great office which he holds should be weakened if ever private inclination were to come into open conflict with public duty and allowed to prevail."

On the same day Mr. Baldwin went to Fort Belvedere, the country residence of the King, about 25 miles from London. It was the third time that he had called on His Majesty during forty-eight hours. After an hour's consultation he returned to London. Meantime, Mrs. Simpson had gone to France to visit friends. Sir Arnold Wilson, Member of Parliament, speaking (Dec. 3) at Barkway, Hertfordshire, sharply attacked the Bishop of Bradford for making an "incursion into matters of high policy" and exposing the King to the "ruthless glare of publicity." The next day the King received a personal letter signed by sixty Members of Parliament "assuring Your Majesty that we are prepared to support you in any action you may think necessary to take to defend your constitutional rights." Mr. Winston Churchill was one of the signers of the letter.

Meantime, the Hon. Vincent Massey, Canadian High Commissioner to the United Kingdom, had conferred at the House of Commons late on Dec. 3 with Mr. Baldwin, Mr. Neville Chamberlain, Chancellor of the Exchequer, Mr. Malcolm MacDonald, Secretary for the Dominions, and Mr. Charles Theodore te Water, the High Commissioner for South Africa to the United Kingdom. Later, the two High Commissioners and Mr. MacDonald went to the Dominions Office. In Canada, the Prime Minister (Mr. Mackenzie King) conferred several times with the Governor-General (Lord Tweedsmuir) and with the British High Commissioner to Canada (Sir Francis Floud), but refused to make any statement. Later he explained that the statement of Mr. Baldwin had justified his attitude. He added: "When the crisis is over the people of Canada will appreciate the attitude of silence on the part of their Government." The Prime Minister of Australia (Mr. Joseph Lyons) called a special Session of the Australian Parliament on Dec. 5 in connection with the crisis. Earlier, the Cabinet had agreed informally to back any action taken by the Home Government.

For the second time since his accession to the Throne, the question of the King's possible marriage came up in the House of Commons on Dec. 4. After having refused several veiled requests for information during the previous weeks, the Prime Minister (Mr. Baldwin) finally said: "Suggestions have appeared in certain organs of the Press yesterday and again to-day that, if the King decided to marry, his wife need not become

Queen. These ideas are without any constitutional foundation. There is no such thing as what is called a morganatic marriage known to our law. The Royal Marriage Act of 1772 has no application to the Sovereign himself. . . . This Act, therefore, has nothing to do with the present case. The King himself requires no consent from any other authority to make his marriage legal, but, as I have said, the lady whom he marries, by the fact of her marriage to the King, necessarily becomes Queen. . . . The only possible way in which this result could be avoided would be by legislation dealing with a particular case. His Majesty's Government are not prepared to introduce such legislation. However, the matters to be dealt with are of common concern to the Commonwealth as a whole, and such a change could not be effected without the assent of all the Dominions. I am satisfied from inquiries I have made that this assent would not be forthcoming. I have felt it right to make this statement before the House adjourns to-day in order to remove a wide misunderstanding."

Again, on Dec. 7, the Prime Minister in reply to a question in the House of Commons, made the following statement:

"It has always been and remains the earnest desire of the Government to afford His Majesty the fullest opportunity of weighing the decision which involves so directly his own future and the interests of his subjects. At the same time they cannot but be aware that any considerable prolongation of the present state of suspense and uncertainty would involve the risk of the gravest injury to the national and international and Imperial interests—and indeed no one is more insistent upon this aspect of the situation than His Majesty.

"In view of certain statements which have been made about the relations between the Government and the King, I should add that, with the exception of the question of morganatic marriage, no advice has been tendered by the Government to His Majesty, with whom all my conversations have been strictly personal and informal. These matters were not raised by the Government but by His Majesty himself in conversation with me some weeks ago when he first informed me of his intention to marry Mrs. Simpson whenever she should be free. The subject has therefore been for some time in the King's mind, and as soon as His Majesty has arrived at the conclusion as to the course he desires to take he will no doubt communicate it to the Government in this country and the Dominions." In the House of Lords, Viscount Halifax, Lord Privy Seal, made a statement similar to Mr. Baldwin's.

At Cannes, France, on Dec. 7, Lord Brownlow, Lord-in-Waiting to King Edward, gave out on behalf of Mrs. Simpson, first an oral denial, as to interviews; secondly, a signed statement. The first was as follows: "I have not given interviews of any kind nor any statements to the Press whatsoever other than I now give." The statement read: "Throughout the last few weeks I have invariably wished to avoid any action or proposal which would hurt or damage His Majesty or the Throne. To-day my attitude is unchanged and I am willing, if such action would solve the problem, to withdraw forthwith from a situation that has been rendered both unhappy and untenable."

The Abdication of King Edward VIII

On Dec. 11, 1936, the King abdicated. The Message announcing his abdication had been sent to the Houses of Parliament the previous day. It was read in the House of Commons at 3:42 p.m. by the Speaker, Capt. Edward Algernon Fitzroy, and in the House of Lords by the Lord Privy

Seal, Viscount Halifax, who stated that all the British Dominions had assented to the enactment of the abdication legislation. The text of King Edward's announcement abdicating the Throne follows:

"Realizing as I do the gravity of this step, I can only hope that I shall have the understanding of my peoples in the decision I have taken and the reasons which have led me to take it.

"I will not enter now into my private feeling, but I would beg that it should be remembered that the burden which constantly rests upon the shoulders of a sovereign is so heavy that it can only be borne in circumstances different from those in which I now find myself.

"I conceive that I am not overlooking the duty that rests on me to place in the forefront public interest when I declare that I am conscious that I can no longer discharge this heavy task with efficiency or with satisfaction to myself.

"I have accordingly this morning executed an instrument of abdication in the terms following:

> "I, Edward VIII, of Great Britain, Ireland and the British Dominions beyond the seas, King, and Emperor of India, do hereby declare my irrevocable determination to renounce the Throne for myself and for my descendants and my desire that effect should be given to this instrument of abdication immediately.
>
> "In token whereof I have hereunto set my hand this tenth day of December, 1936, in the presence of the witnesses whose signatures are subscribed.
>
> "Signed, Edward R.I.

"My execution of this instrument has been witnessed by my three brothers, their Royal Highnesses the Duke of York, the Duke of Gloucester and the Duke of Kent.

"I deeply appreciate the spirit which has actuated the appeals which have been made to me to take a different decision and I have before reaching my final determination most fully pondered over them.

"But my mind is made up. Moreover, further delay cannot but be most injurious to the peoples whom I have tried to serve as Prince of Wales and as King, and whose future happiness and prosperity are the constant wish of my heart.

"I take my leave of them in the confident hope that the course which I have thought it right to follow is that which is best for the stability of the Throne and Empire and happiness of my people.

"I am deeply sensible of the consideration which they have always extended to me both before and after my accession to the Throne and which I know they will extend in full measure to my successor.

"I am most anxious that there should be no delay of any kind in giving effect to the instrument which I have executed and that all necessary steps should be taken immediately to secure that my lawful successor, my brother, His Royal Highness the Duke of York, should ascend to the Throne.

"Edward, R.I."

After the Speaker had finished reading the King's Message in the House of Commons, the Prime Minister rose and moved that His Majesty's most gracious Message should be considered. Later he gave a statement to the House explaining the course of events during the previous six weeks which had led to the King's abdication. Believing it to be his duty as Prime Minister and as a friend of His Majesty to

speak to the King, he had asked for an interview which had been granted at Fort Belvedere on Oct. 20. He explained that he had told His Majesty that "I had two great anxieties—the effect of the continuance of criticism of the King that at the time was proceeding in the American Press and the effect it would have in the Dominions and particularly Canada, where it was widespread, and the effect it would have in this country. That was first. I reminded him of what I have often told him and his brothers in the years past, and that's this: The Crown in this country through centuries has been deprived of many of its prerogatives, but to-day, while that is true, it stands for far more than it ever had done in its history. The importance of its integrity is, beyond all question, far greater than it has ever been, being as it is not only the last link of Empire that is left but a guarantee in this country, so long as it exists in that integrity, against many evils that have affected and afflicted other countries.

"He said to me: . . . 'You and I must settle this matter together. I will not have anyone interfering.' I then pointed out the danger of the divorce proceedings; that if a verdict was given in that case which left the matter in suspense for some time, that period of suspense must be dangerous because then everyone would be talking and when once the Press begins, as it must begin some time in this country, a most difficult situation would arise for me and for him, and there might well be the danger which both he and I have seen through all this, and one of the reasons why he wanted to take this action quickly was that there should not be sides taken and factions grow up in this country where no faction ever ought to exist. It was on that aspect of the question that we talked for an hour and I went away glad that the ice had been broken."

The next time he had seen His Majesty, the Prime Minister said, was on Nov. 16. The King was at Buckingham Palace and had sent for him. By that time the decree *nisi* had been granted in the divorce case.

"I told him," Mr. Baldwin stated, "that I did not think that a particular marriage was one that would receive the approbation of the country. That marriage would have involved a lady becoming Queen, and I did tell His Majesty that I might be a remnant of the old Victorians, but my worst enemy could not say this of me—that I did not know what the reaction of the English people would be to any particular course of action. . . . that so far as they went I was certain that that would be impracticable. . . . And then His Majesty said to me, and I had his permission to tell you this, that he wanted to tell me something that he had long wanted to tell me. He said, 'I am going to marry Mrs. Simpson and I am prepared to go.' I said, 'Sir, that is most grievous news and it is impossible for me to make any comment on it to-day.' He told the Queen that night. He told the Duke of York and the Duke of Gloucester the next day, and the Duke of Kent, who was then out of London, either on Wednesday or Thursday, and for the rest of the week, so far as I know, he was considering that point.

"Meantime," said Mr. Baldwin, "the suggestion had been made to me that a possible compromise might be arranged to avoid those two possibilities that had been seen, first in the distance and then approaching nearer and nearer. The compromise was that the King should marry and that Parliament should pass an Act enabling the lady to be the King's wife without the position of Queen.

"I saw His Majesty on Wednesday, Nov. 25. He asked me if that proposition had been put to me and I said 'Yes,' and he asked me what I thought of it. I told him that I had given it no considered opinion

but if he asked me my first reaction it was that Parliament would never pass it. I said that if he desired I would examine it formally. He said he did so desire."

Mr. Baldwin stated that the King had wished to see him again on Dec. 2. Some inquiries which he had thought proper to make were not concluded but they had gone far enough to show that neither in the Dominions nor in Great Britain would there be any prospect of such legislation being accepted. "His Majesty asked me if I could answer his question. I gave him the reply that I was afraid it was impracticable for those reasons, and I do want the House to realize this. His Majesty said he was not surprised at that answer. He took my answer without question and he never referred to it again."

Mr. Baldwin told the House that the King "always had before him three motives which he repeated in the course of conversation at all hours and again and again: That if he went he would go with dignity, that he would not allow a situation to arise in which he could not do that; and that he wanted to go with as little disturbance to his Ministers and his people as possible. He wished to go in such circumstances that the succession of his brother would be made with as little difficulty as possible, and I may say that any idea to him of what might be called a King's party was abhorrent. He stayed down at Belvedere because he said he was not coming to London while these things were in dispute because of the cheering crowds. I honour and respect him for the manner in which he behaved at that time. Now, sir, I would say a word or two on the King's position. The King cannot speak for himself. The King has told us that he cannot carry and does not see his way to carry those almost intolerable burdens of kingship without a woman at his side, and we know that this crisis, if I may use the word, has arisen now rather than later from that very frankness of His Majesty's character which is one of his many attractions." Mr. Baldwin concluded by stating that a Bill would be brought in to give effect to His Majesty's Declaration of Abdication.

In moving the Reply to the King's Message, Viscount Halifax read correspondence which had passed between the Cabinet and the King in which the Cabinet vainly sought to change his decision. His Majesty's reply was: "The King received the Prime Minister's letter on December 9, 1936, informing him of the views of the Cabinet. His Majesty has given the matter his further consideration, but regrets he is unable to alter his decision."

The Abdication Bill was presented to Parliament (Dec. 11) and received the necessary three readings in both Houses. The Prime Minister put the Motion to a vote with the words: "This is the last Bill which will be presented for Royal Assent during the present reign." The Act is cited "His Majesty's Declaration of Abdication Act of 1936."

Prince Edward's Farewell

The former King gave personally on the evening of Dec. 11 over the British Broadcasting Corporation the following message to his former subjects:

> "At long last I am able to say a few words of my own. I have never wanted to withhold anything, but until now it has not been constitutionally possible for me to speak.
>
> "A few hours ago I discharged my last duty as King and Emperor. And now that I have been succeeded by my brother, the Duke of

York, my first words must be to declare my allegiance to him. This I do with all my heart.

"You know the reasons which have impelled me to renounce the Throne, but I want you to understand that in making up my mind I did not forget the country or the Empire which, as Prince of Wales and lately as King, I have for twenty-five years tried to serve.

"But you must believe me when I tell you that I have found it impossible to carry the heavy burden of responsibility and to discharge my duties as King as I would wish to do without the help and support of the woman I love.

"And I want you to know that the decision I have made has been mine and mine alone.

"This was a thing I had to judge entirely for myself. The other person most nearly concerned has tried up to the last to persuade me to take a different course.

"I have made this most serious decision of my life only upon the single thought of what would, in the end, be best for all.

"This decision has been made less difficult to me by the sure knowledge that my brother, with his long training in the public affairs of this country and with his fine qualities, will be able to take my place forthwith without interruption or injury to the life and progress of the Empire, and he has one matchless blessing, enjoyed by so many of you and not bestowed on me, a happy home with his wife and children.

"During these hard days, I have been comforted by Her Majesty, my mother, and by my family. The Ministers of the Crown and in particular Mr. Baldwin, the Prime Minister, have always treated me with full consideration.

"There has never been any constitutional difference between me and them and between me and Parliament.

"Bred in the constitutional traditions by my father, I should never have allowed any such issues to arise.

"Ever since I was Prince of Wales and later on, when I occupied the Throne, I have been treated with the greatest kindness by all classes of the people wherever I have lived or journeyed throughout the Empire.

"For that I am very grateful. I now quit altogether public affairs and I lay down my burden.

"It may be some time before I return to my native land, but I shall always follow the fortunes of the British race and Empire with profound interest and if, at any time in the future, I can be found of service to His Majesty in a private station I shall not fail.

"And now we all have a new King. I wish him and you, his people, happiness and prosperity with all my heart.

"God bless you all! God save the King!"

Later, the same evening Queen Mary issued a simple message opening her heart to the realm and world: "I need not speak," she wrote, "of the distress which fills a mother's heart when I think that my dear son has deemed it to be his duty to lay down his charge and that the reign which has begun with so much hope and promise has so suddenly ended. I know that you will realize what it has cost him to come to this decision, and that, remembering the years in which he tried

to serve and help his country and Empire, you will ever keep a grateful remembrance of him in your hearts. I commend to you his brother summoned so unexpectedly and in circumstances so painful to take his place. I ask you to give him the same full measure of generous loyalty which you gave to my beloved husband and which you would willingly have continued to give to his brother."

Later in the evening (Dec. 11) the Prince, who on the following day was created Duke of Windsor, motored to Portsmouth and boarded the destroyer *Fury* which left for France. The Duke travelled on to Austria where he stayed with friends for several months. To conclude the story it may be added that Mrs. Simpson remained in the south of France with friends. After the divorce decree was made absolute she was joined by the Duke and they were married on June 3, 1937, at Chateau de Candé, near Tours, France, by the Rev. R. Anderson Jardine, a Darlington vicar, who offered to perform the religious ceremony. Mrs. Simpson thus became Duchess of Windsor.

King George VI

The Duke of York ascended the Throne as George VI on Dec. 11, 1936, when the Abdication Bill had received Royal Assent. The proclamation was made with traditional ceremony at different points in London. On Dec. 12 he held his Accession Council and made his declaration of adherence to the strict principles of constitutional government. He announced the preferment of the Dukedom of Windsor on the former King. The new King sent his first Message to Parliament on Dec. 14. It was read in the upper House by Lord Halifax, and was as follows:

"I have succeeded to the Throne in circumstances which are without precedent and at a moment of great personal distress, but I am resolved to do my duty, and I am sustained by the knowledge that I am supported by widespread goodwill and sympathy from all my subjects here and throughout the world. It will be my constant endeavour, with God's help and supported by my dear wife, to uphold the honour of the realm and promote the happiness of my peoples."

The Prime Minister read the Message in the House of Commons later.

Canadians in the King's Honours Lists, 1935

Honours and awards bestowed by King George V on New Year's Day, 1935, included three knighthoods for Canadians and 44 other titles, eight of them for women. The knighthoods were—Knight Bachelor: the Hon. J. A. Chisholm, Chief Justice of Nova Scotia; Knight Commander of St. Michael and St. George: Col. Albert Edward Gooderham of Toronto; and Knight of the British Empire (Civil Division): Charles William Lindsay of Montreal.

Other honours of Jan. 1, 1935 included the following: "C.B." (Military Division)—General A. G. L. McNaughton, Ottawa; "C.M.G."—J. Clarence Webster, Shediac, N.B.; "C.B.E." (Military)—Brigadier W. H. P. Elkins, Kingston, Ont.; "C.B.E." (Civil)—Henry Black, Regina; Joseph E. Gregoire, Quebec; Camillien Houde, Montreal; William J. Stewart, Toronto; and John S. Plaskett, Victoria.

On the King's birthday (June 23, 1935) Canadians again received the Order of knighthood. These were: Knight Grand Cross of St. Michael and St. George: the Rt. Hon. Sir William Thomas White, K.C.M.G., Toronto (Promotion); Knight Grand Cross of the British Empire: Edward W. Beatty, Montreal; Knight Commander of the Bath: Maj.-Gen. James

H. MacBrien, Ottawa; Knight Commander of St. Michael and St. George: the Hon. Herbert M. Marler, Tokyo, Canadian Minister to Japan; Knight of the British Empire: Arthur G. Doughty, Ottawa, and John C. McLennan, Toronto; Knights Bachelor: the Hon. Joseph A. Thomas Chapais, Quebec; E. Wyly Grier, Toronto; Ernest C. MacMillan, Toronto; and C. G. D. Roberts, Toronto.

Recognition of outstanding contribution to sociology, literature, science, education, journalism, music and commerce was shown by His Majesty George V by the bestowal of the following honours on the same day:

Companion of the Bath (Military)—Maj.-Gen. Ernest C. Ashton, Esquimalt, B.C.; Companion of St. Michael and St. George: George S. H. Barton, Ottawa; Charles Camsell, Ottawa; William C. Clark, Ottawa; Cyrille F. Delage, Quebec; William S. Edwards, Ottawa; the Rev. Charles W. Gordon (Ralph Connor), Winnipeg; the Hon. George Herbert Sedgewick, Ottawa; Harry S. Southam, Ottawa; James H. Woods, Calgary; Simon J. McLean, Ottawa. Commander of the British Empire (Civil Division)—Edward Johnson, New York; Merchant Mahoney, Washington; William E. Matthews, Ottawa; Robert E. McKechnie, Vancouver; (Miss) Helen R. Y. Reid, Montreal; (Mrs.) Sarah Trumbull Warren, Toronto; Frank T. Shutt, Ottawa; W. Lash Miller, Toronto; Col. Henry C. Osborne, Ottawa. Commander of the British Empire (Military Division)—Lt.-Col. H. Willis O'Connor, Ottawa. Several other Canadians were also honoured; six received the "I.S.O."; twenty-three, the "O.B.E." (Civil); three, the "O.B.E." (Military); thirty-nine, "M.B.E." (Civil); and five, "M.B.E." (Military).

There were no Canadians in the Honours List of His Majesty Edward VIII for 1936; neither in the New Year's List nor the List of June 23. The Union of South Africa and the Irish Free State were also unrepresented.

The Governor-General of Canada, 1935 and 1936

The year 1935 marked the close of Lord Bessborough's term as Governor-General of Canada. One of his last efforts in behalf of Canada was the launching of a campaign to extend the benefits of the Boy Scout Movement to 35,000 additional youths. He had also taken an active part in the campaign in aid of the King's Silver Jubilee Cancer Fund for Canada. On Sept. 24, the Countess of Bessborough and her three children received farewell gifts from the women of Canada. The presentation to Her Excellency at Government House was a great 18-karat gold cup more than 16 inches high and a blue morocco-bound book containing the names of the donors. Individual gifts were given to the three children. On the day following a banquet by the Government of Canada for Their Excellencies was held in Ottawa. In Montreal on the 27th the first step on the homeward journey was reached; here a farewell reception was held in the City Hall.

The announcement of Lord Bessborough's successor had been made as early as Mar. 27, 1935, when Sir George Perley, Acting Prime Minister, informed Parliament that His Majesty had approved the appointment of Mr. John Buchan, Member of Parliament for the Scottish Universities since 1927, as Governor-General of Canada, and that he would take up his duties upon the expiry of Lord Bessborough's term. The new appointment was well received throughout Canada. A notable historian and writer of fiction, Mr. Buchan had represented the King during 1933 and 1934 as Lord High Commissioner to the Church of Scotland Assembly in Edinburgh. He had been Director of Information under the Prime

Minister of the United Kingdom during the last year of the World War; and in 1901-3 was Private Secretary to the High Commissioner to South Africa (Lord Milner). Two months after Sir George Perley's announcement His Majesty conferred a Baronetcy upon Mr. Buchan. This was followed by a further honour, that of Knight Grand Cross of St. Michael and St. George. Mr. Buchan chose as his title Baron Tweedsmuir of Elsfield. The new Governor-General arrived in Canada on Nov. 2 accompanied by his wife and son. At Quebec he was formally installed as Governor-General of Canada. Two days later, after the usual ceremonies he took up residence at Rideau Hall. During the next two months he was actively engaged with official duties. He visited Montreal where, at a special Convocation of McGill University (Nov. 23), he received the Honorary degree of Doctor of Laws. Several days later he was in Toronto where he attended the Royal Winter Fair. On Nov. 27, he accepted the Presidency of the Canadian Red Cross Society. On the same day the University of Toronto conferred the Honorary degree of Doctor of Laws upon the new Governor-General.

By the middle of 1936 the Governor-General, accompanied generally by Lady Tweedsmuir and frequently by other members of his family, had visited many of the cities and other points of interest in Central Canada. A tour of the Maritimes in July was postponed owing to illness which necessitated a period of rest in the Royal Victoria Hospital. He was well enough, however, on July 31 to greet the President of the United States at Quebec on the occasion of Mr. Roosevelt's visit. This was an historic event. It was the first time that a President of the United States had visited a Governor-General on Canadian soil. Several Governors-General had visited Washington to pay their respects to Presidents but so far there had been no reciprocal action. With the exception of Mr. Franklin D. Roosevelt, who annually spent a few days at his Summer home on Campobello, N.B., and President Harding, who spent a few hours in Vancouver on returning from Alaska no other President ever visited Canada during his term of office.

Among those who received Mr. Roosevelt officially, in addition to the Governor-General, were Mr. Mackenzie King, Prime Minister of Canada, Mr. Adelard Godbout, Prime Minister of Quebec and Mr. J. E. Gregoire, Mayor of the City. The Governor-General, as the personal representative of His Majesty, in offering his greetings to the President, concluded: "It is my prayer that not by any alliance, political or otherwise, but through thinking the same thoughts and pursuing the same purpose, the Republic of the United States and the British Commonwealth may help to restore the shaken liberties of mankind."

The President's reply, in part, was as follows: "From the moment I received the hospitable invitation of your Governor-General, I have been filled with the most happy anticipation of this all-too brief visit. . . . That I am not a stranger may be illustrated by the fact that since the age of two I have spent the majority of my Summers in the Province of New Brunswick, and by my recent most refreshing cruise along the beautiful shores of the Maritime Provinces where once more I have found friendship, relaxation and deep contentment." Mr. Roosevelt spoke of the two great racial stocks residing side by side in peace and friendship, each contributing its particular genius in the moulding of a nation. . . . "On both sides of the line we are so accustomed to an undefended boundary three thousand miles long that we are inclined perhaps to minimize its vast importance, not only to our own continuing relations but also to the example which it sets to the other nations of the world. Canadians

and Americans visit each other each year by the hundreds of thousands —but, more important, they visit each other without the use of passports. And, within recent months, another significant action speaks louder than words, for the Trade Agreement which I had the privilege of signing with your Prime Minister (Mr. King) last Autumn is tangible evidence of the desire of the people of both countries to practise what they preach when they speak of the good neighbour.

"In the solution of the grave problems that face the world to-day, frank dealing, co-operation and a spirit of give and take between nations are more important than ever before. The United States and Canada and, indeed, all parts of the British Empire share a democratic form of government which comes to us from common sources. We have adapted those institutions to our own needs and our own special conditions, but fundamentally they are the same.

"The natural sympathy and understanding that exists between us was, I feel, demonstrated in the universal feeling of grief when the news of the death of the late King George was received in the United States. We felt not only that the head of a friendly nation had been removed but that a friend whose voice has penetrated into almost every home in the United States had been taken from us—a great King and a great gentleman.

"It has also been my privilege to know His Majesty, King Edward, and we look forward to the day when, finding it possible to come again to the Dominion, he may also visit with his neighbours in the United States."

After the formal reception the President was escorted to the Citadel where he was entertained to luncheon by the Governor-General and Lady Tweedsmuir. In the evening Mr. Roosevelt and his party left by special train for Hyde Park, N.Y.

Later in the year (1936) the Governor-General left on a Western trip, returning to the Capital at the end of September. Lady Tweedsmuir had been obliged to return a few weeks earlier in order to keep engagements in Ottawa. A result of their visit was an appeal to the people of Canada by Lady Tweedsmuir for books to be distributed amongst settlers in the remote districts of Manitoba and Alberta. She had been concerned by the wide-spread request for literature and had been deeply impressed by the character of the books suggested by the isolated settlers in these Provinces.

Further honours were received by His Excellency during 1936. He was enrolled as a member of the Law Society of Upper Canada on Feb. 2. On Oct. 31 he received honorary fellowships in medicine and surgery and was guest of honour at the annual dinner of the Royal College of Physicians and Surgeons in Ottawa. Towards the end of November the Governor-General paid a second visit to Western Canada, where from the University of Manitoba on Dec. 1 he received the Honorary degree of Doctor of Laws. Lady Tweedsmuir on June 23 was made a Dame of Grace of the Order of St. John of Jerusalem.

The Department of External Affairs, 1935 and 1936

The Reports of the Department for External Affairs for the years 1935 and 1936 covered the activities of the various Offices abroad of the Canadian Government. The Rt. Hon. R. B. Bennett was Secretary of State for External Affairs to October, 1935; with the change of Govern-

ment, the Rt. Hon. William Lyon Mackenzie King took over the portfolio. Mr. O. D. Skelton, PH.D., LL.D., held the office of Under-Secretary. The following paragraphs are summaries of the reports of the various Offices.

The High Commissioner's Office, London, 1935-36

The Hon. G. Howard Ferguson, High Commissioner for Canada at London for five years, until Nov. 8, 1935, negotiated with the various Departments of the British Government and formed productive contacts with the financial and business interests centreing in the Imperial capital. On Dec. 6, *The Times* paid a high editorial tribute to him. In May, 1935, Mr. Ferguson attended the official Jubilee Celebrations with the Prime Minister of Canada (Mr. Bennett) who represented Canada at the Ceremonies and who presented to Their Majesties at St. James's Palace the Address of the Senate and the House of Commons and offered messages of loyalty on behalf of the People and Government of Canada.

Mr. Ferguson was Chairman of the Imperial Economic Committee from October, 1933 to March, 1935. At meetings of the Imperial Shipping Committee which he regularly attended, consideration was given to the insurance rates prevailing on the Hudson Bay route: the Committee again was able to announce the reduction of the rates for the 1935 season of vessels engaged in this trade. Only one session of the Wheat Advisory Committee was held during 1935; in addition, the representatives of the principal wheat-exporting countries, Argentina, Australia, Canada and the United States met in London at the beginning of March, 1935, when Mr. Ferguson took his place as representative for Canada.

The Hon. Vincent Massey, whose appointment as High Commissioner had been announced by the Rt. Hon. W. L. Mackenzie King shortly after the formation of his Cabinet in October, 1935, assumed his duties in London on Nov. 13. He made his first public appearance in London at the annual Armistice dinner of Canadian ex-Service Men. As the representative of the Canadian Government, Mr. Massey attended in January both the funeral of His Majesty King George V and the Proclamation and Accession Ceremonies of His Majesty King Edward VIII. Again in the closing month of 1936 he was present at another Royal ceremony—the Proclamation Ceremonies of His Majesty King George VI. Before the end of the year, the High Commissioner attended several meetings of the Commission which had charge of the arrangements for the Coronation of King George VI in 1937. Other activities of Mr. Massey during 1936 included special negotiations with a view to placing the trade relations of the two Governments on a satisfactory basis on the expiry of the Ottawa Agreements in 1937; the establishment, in the interests of publicity, of a Committee consisting of himself, as Chairman, and members of the staff and representatives of the Departments of Trade and Commerce and National Revenue at Canada House; and a number of addresses before the various Chambers of Commerce in London, Birmingham, Cardiff, Manchester, Edinburgh, Glasgow and other cities. Other functions attended by the High Commissioner during 1936 were the July unveiling of the Canadian War Memorial at Vimy and the London Naval Conference which opened on Dec. 9, 1935, and concluded on Mar. 25, 1936, with the signing of a Convention. Arising out of this latter was a Procès-Verbal on rules for submarine warfare, which the High Commissioner signed on behalf of the Canadian Government on Nov. 6. At Geneva Mr. Massey represented Canada at the League of Nations and on the Committee of Eighteen, and attended meetings of the British Commonwealth Conference on Scientific Research.

The Canadian Legation, Washington, 1935-36

The Legation at Washington was particularly active during the year 1935 while trade negotiations were being carried on between the two Governments. Announcement had been made in January, 1935, that the United States were willing to enter into negotiations with Canada. The first discussion took place at the end of August with the Bennett Cabinet; these negotiations were then carried forward and resulted in an Agreement signed by the Prime Minister of Canada (Mr. Mackenzie King) and the Secretary of State for the United States (Mr. Cordell Hull), in November, 1935. Other items of international interest which arrested the attention of the Legation were important legislative measures adopted during the First Session of the Seventy-Fourth Congress of the United States; during the consideration and after the final passage of these measures the Legation made numerous reports to Ottawa on their provisions. Attention was also given to an important joint Resolution amending the neutrality laws of the United States which was adopted by Congress, and which was designed to lessen the possibilities of the United States becoming involved in war for commercial reasons arising out of trade with belligerent countries. Proceedings arising out of the sinking of the Canadian vessel *I'm Alone* by the United States Coast Guard in 1929 were terminated by the adoption of the Report of the Commissioners appointed under the Smuggling Convention of 1924. This Report involved an apology to the Government of Canada for the sinking of the vessel and the payment of an indemnity of $50,666.50. In December, 1935, the representatives of Canada, the United Kingdom and the Irish Free State visited Washington to confer with officials of the Government on proposals for the establishment of a transatlantic air service. It was hoped that the result of these meetings would bring about the establishment of transatlantic air transport services connecting the countries.

In the meantime, on Oct. 23, (1935) owing to the change in Government at Ottawa, the Hon. W. D. Herridge resigned as Minister. Mr. Hume Wrong, Councillor of the Legation, acted as Chargé d'Affaires until Oct. 20, 1936, when the Hon. Sir Herbert Marler, whose appointment as Minister to Washington had been announced in June, presented his credentials to the President. A measure of particular interest to Canada and which had been sponsored by the United States Treasury Department with the object of enforcing the collection of large claims against certain Canadian distilling corporations was eventually withdrawn, in 1936, after a settlement of the claims had been effected as a result of long and difficult negotiations conducted by the Legation. A Revenue Act adopted by Congress in June, 1936, changed in important respects the taxation charged by the United States on income paid to non-resident individuals and corporations. Among other important questions dealt with by the Legation in negotiations and discussions with the United States authorities in 1936 were the following: an arrangement concluded in March to facilitate the purchase by the United States Treasury through the Bank of Canada of newly-mined Canadian silver; the proposed transatlantic air service; regulations promulgated by the United States Treasury Department governing the labelling and advertising of imported distilled spirits; certain matters relating to navigation on the Great Lakes; the inspection of imported Canadian maple products; questions concerning the preservation of the fisheries off the Atlantic and Pacific coasts; a number of problems relating to the Trail Smelter arbitration, a reciprocal agreement on certain fiscal questions; and a variety of matters arising out of the Trade Agreement between Canada and the United States, Articles I, III

and IV of which came into effect on Jan. 1, 1936, while the entire Agreement came into force on May 14, the date of the exchange of proclamation and ratification of the Agreement at Ottawa.

During the year, the Legation kept the Department at Ottawa informed on the attitude of the United States on the major questions of foreign relations, with particular reference to neutrality policy and legislation, international commercial policy and the Inter-American Peace Conference. Attention was also given to the monetary, financial and fiscal policies of the United States; and the agricultural situation was closely followed. Other activities reported under the Canadian Legation at Washington included the approval in June by the Senate of the United States of the ratification of the Sockeye Salmon Convention signed in 1930, subject to three reservations; the signing on Nov. 30 by Sir Herbert Marler for Canada and the Acting-Secretary of State for the United States of a Convention establishing a maximum rate of five per cent. in both countries with respect to certain types of income taxation of non-resident individuals and corporations.

The Canadian Legation, Paris, 1935-36

During the two-year period the activities of the Paris Legation included a close study of those developments in the political and economic life of France which were of particular interest to Canada. Trade relations between Canada and France engaged, as usual, a large part of the Legation's attention during the two years. In 1935, the Canadian Minister or members of his staff represented Canada at the Assembly of the League and other international meetings in which Canada was interested. In 1936, the Vimy Pilgrimage was attended by members of the Legation which co-operated in the preparation of the visit of Canadian veterans to France and the organization during the Pilgrimage of a Government dinner to the official guests on the eve of the Unveiling Ceremony at Vimy. The services of the Legation were also instrumental in making the necessary arrangements for the reception of His Majesty King Edward VIII.

The Canadian Legation, Tokyo, 1935-36

The trade dispute between Canada and Japan was uppermost during the year 1935 in the activities of the Legation which gave much time and consideration to the solution of the various problems involved in the dispute. On Sept. 20, 1935, the Prime Minister of Canada (Mr. Bennett) issued a statement in which he said that the Government learned with regret of the decision of Japan to impose a discriminatory surtax on certain Canadian products approximately 50 per cent. in value of Canadian products to Japan. "The Canadian Government" he said "had indicated that it was impossible to accede to Japanese requests for abolition of anti-dumping and exchange compensation duties and fixed valuations and for assessment of ordinary duty at the depreciated current rate of exchange. Such a course would in practice involve discrimination against other countries, including Great Britain, and place Japan in a privileged position in our market". The statement added that the Canadian Government would have no option but to impose on Japanese goods the surtax of 33⅓ per cent. *ad valorem* provided for in the Customs Tariff, as was done in the case of Germany in 1933. On Dec. 14, 1935, Mr. King, whose new Cabinet had been announced on Oct. 23, invited the Japanese Minister at Ottawa to a conference in an effort to reach a compromise. The trade dispute was settled on Dec. 27 with an exchange of Notes between the Prime Minister (Mr. King) and the Japanese

Minister (Mr. Sotomatsu Kato). The Canadian Government's statement, in part, was as follows: "The Japanese Government will cancel, as from Jan. 1, 1936, the surtax of 50 per cent. *ad valorem* which has been levied, in addition to the ordinary duties, on wheat, flour, lumber, pulp, wrapping paper and certain other Canadian products since July 20, 1935. The Canadian Government, on their part, will cancel, as from Jan. 1, 1936, the surtax of 33⅓ per cent. which has been levied, in addition to the ordinary duty, on Japanese goods imported into Canada since Aug. 5, 1935. The Canadian Note further sets forth the decision of the Canadian Government to modify the Customs regulations respecting (1) the interpretation of the phrase 'goods of a class or kind made or produced in Canada' (2) the valuation of the *yen* for Customs purposes and (3) the procedure to be followed in any appeal against valuations established under Sect. 43 of the Customs Act." The Government's statement added that the changes in Customs policy followed closely and developed further the statement of Canadian policy contained in the Note sent to the United States' Government at the time of signing the Canada-United States Trade Agreement. Later, after a survey of results had been made, it was stated that an increase in the volume of trade was distinctly visible.

On July 3, 1936, the Hon. Sir Herbert Marler, Canada's first Minister to Japan, left Tokyo upon his transfer as Canadian Minister to the United States. He was succeeded by the Hon. R. Randolph Bruce who presented his credentials to the Emperor of Japan on Nov. 7.

Canadian Advisory Office, Geneva, 1935-36

Amongst the important problems under discussion in 1935 by the Council of the League of Nations was the Italo-Ethiopian dispute. On Oct. 7 the Council declared that the Italian Government had resorted to war in disregard of its obligations under the Covenant. At a meeting of the Assembly on Oct. 9 the delegates concurred in the conclusion of the Members of the Council, and decided to set up a Committee to co-ordinate measures taken in accordance with Article 16 of the Covenant. Five proposals were drafted by the Committee: the first related to the embargo on the export of arms to Italy; by the second, all loans or credits to Italy were to be withheld; the third concerned the prohibition of the import of Italian goods; the fourth provided for the prohibition of the export of certain key products to Italy; and the fifth had reference to the organization of mutual support between members of the League in the application of economic and financial measures. The Canadian Government before the end of 1935 put into force the first four proposals and notified its acceptance of the principle embodied in the fifth proposal. In the following year (1936) the Sixteenth Assembly on July 4 recommended that the sanctions should be raised on July 15: this was done in Canada by the repeal of the Orders-in-Council of Nov. 15, 1935. The Canadian Delegation to the Co-ordination Committee was successively headed in 1935 by the Hon. G. Howard Ferguson, Dr. W. A. Riddell and Mr. L. B. Pearson. In 1936 the Canadian delegates were the Hon. Philippe Roy and the Hon. Vincent Massey.

Canada lost its permanent seat on the Governing Body of the International Labour Office early in 1935 as a result of the recent admission of two countries of chief industrial importance to the International Labour Organization; but in October, following the withdrawal of Germany, the seat returned to Canada. Dr. Riddell, representative of Canada, was elected Chairman of the Governing Body on Oct. 24, 1935.

At the Seventeenth Session of the Assembly of the League, Sept. 21 to Oct. 10, 1936, Mr. Mackenzie King (Prime Minister and Secretary of State for External Affairs), Canada's Senior Delegate, was elected Vice-President. His speech before the Assembly during the Session took the place of the formal proposal, which the Assembly had invited each of the State Members to send in, for improving the application of the principles of the Covenant. (For Mr. King's address, see under "The Liberal Administration of 1936").

The Committee of Twenty-Eight set up following the recommendation of the Assembly of July 4, 1936, and the resolution of the Assembly of Oct. 8, 1936, to consider the question of the application of the principles of the Covenant and all problems connected therewith, met at Geneva from Dec. 14—17. The Hon. Raoul Dandurand represented Canada. The meeting adjourned after having appointed *rapporteurs*, whose duty it would be to assemble all documentation on the various aspects of the subject for discussion at a later date.

High Commissioner's Office, Ottawa

During the two years under review, 1935-36, Sir Francis L. C. Floud, K.C.B. was High Commissioner in Canada for His Majesty's Government in the United Kingdom of Great Britain and Northern Ireland.

Diplomatic Representatives in Canada, 1935-36

The Hon. Norman Armour presented his credentials as Envoy Extraordinary and Minister Plenipotentiary of the United States to Canada on Aug. 7, 1935. He succeeded the Hon. W. D. Robbins whose death had occurred on Apr. 7, 1935, after having been in office since 1933.

M. Raymond Brugere, appointed in October, 1934, represented the Government of France at Ottawa as Envoy Extraordinary and Minister Plenipotentiary.

Consequent on his appointment as Ambassador of Japan at Istanbul, Mr. Iyemasa Tokugawa, Minister of Japan to Canada since 1929, left Canada on Jan. 15, 1935. Mr. Sotomatsu Kato succeeded Mr. Tokugawa, presenting his credentials at Ottawa on June 26, 1935.

The International Joint Commission

Between the beginning of 1934 and the end of 1935 the International Joint Commission carried out one large investigation, and disposed of several applications under the terms of Articles 3 and 4 of the Treaty of 1909. The investigation, which had been requested by the Congress of the United States, and transmitted to the Commission by the Governments of the United States and Canada, had to do with the economic practicability of a deep waterway between New York and Montreal by way of Lake Champlain. Received by the Commission in January, 1936, a conference with United States and Canadian Government engineers was followed by a series of public hearings in the cities of New York, Albany, Burlington, Plattsburg and Montreal, which ran through almost to the end of the year. One of the outstanding facts brought out at these hearings was that both the proponents and the opponents of the suggested waterway were agreed that it was not a project that could be justified as an independent undertaking, but must be considered, if at all, as an adjunct of the proposed St. Lawrence Deep Waterway. Further public hearings and final arguments were to be heard in 1937.

Of 1935 applications heard and settled, one, particularly, deserves mention as illustrating the fact of the Commission's impartiality not only

as between Canadian and United States interests but also as between large and small problems. Many of the cases previously dealt with involved investments running into millions of dollars. This particular application was from a small French-Canadian farmer named Jean Larivière, owner of a farm on the boundary between Quebec and Maine. Larivière wished to build a small dam across the upper waters of the St. John River, the southern boundary of his farm and part of the international boundary. He could not afford the usual expenses of legal counsel, engineers, etc. Consequently, the Commission waived its rules of procedure, sent a Government officer to examine the situation, ascertained that no interests on the United States side would be adversely affected, and then at its next Executive meeting adopted an order approving of Larivière's dam.

Another typical case had to do with a dam on the Montana side of East Poplar Creek, which it was thought might damage interests in Saskatchewan. Here the Commission's order granted the application with provisions for safeguarding any property on the Canadian side that might be injured. Somewhat similar applications were disposed of in 1936. One had to do with a dam at Prairie Portage, on the Minnesota side of the boundary; another with diversions from Phillips Creek, in British Columbia, that were said to be injurious to interests in Montana; and a third asked for approval of a reclamation project on the British Columbia side of the Kootenay valley.

In 1935 the Commission published a comprehensive report on water power and reclamation cases in the Kootenay Valley, previous to the one above mentioned. It also issued a report on the functions, powers and duties of International Engineering Boards operating under its authority.

Early in 1936, Mr. C. A. Magrath, who had been a member of the Commission since its organization in January, 1912, resigned, and was succeeded by the Hon. Charles Stewart, formerly Minister of the Interior in the Dominion Cabinet. The Commission, at its Executive meeting in Washington, Feb. 17, 1936, adopted the following Resolution:

"In view of the resignation of Mr. C. A. Magrath as a member and Chairman of the Canadian Section, the Commission wishes to record its very sincere appreciation of the high qualities of one who had been a valued colleague for some years and who had been associated with the work of the Commission since its establishment a quarter of a century ago. Mr. Magrath was a man of vision and broad views. A thoroughgoing Canadian, he was too big to interpret his patriotism in any narrow sense. As a member of the Commission his preoccupation was always to secure a decision that would do substantial justice to those vitally interested in any particular problem, whether they might be Americans or Canadians. His kindliness and sympathetic nature have endeared him to his colleagues as to all others with whom he was brought into intimate contact."

The Vimy Pilgrimage, 1936

One of the most remarkable pilgrimages of modern times was the return of more than 6,000 Canadian War veterans, many accompanied by wives and children, to Vimy Ridge in France for the unveiling of Canada's War Memorial on Sunday, July 26. It was organized by the Canadian Legion of the British Empire Service League and directed by the National Vimy Pilgrimage Committee. His Majesty King Edward VIII had consented to unveil the Memorial and the President of France had

accepted the invitation of the Canadian Government to be present at the ceremony.

The main group of pilgrims left Montreal on four liners, *Montrose, Montcalm, Ascania* and *Antonia* on July 16. They were escorted down the St. Lawrence to Quebec by *H.M.C.S. Saguenay* and *H.M.C.S. Champlain* where the latter dipped her flag in farewell while the *Saguenay* continued as escort across the Atlantic. On the following day the *Duchess of Bedford* sailed from Montreal with another group. A pathetic touch was given to the party by the presence of a number of honoured members of the Amputations Association and of several who had been blinded in the War. Among other honoured pilgrims were many widows of those who had fallen on the battlefields, including one party of 35 from Toronto. There were also seven Japanese veterans of the C.E.F. from Vancouver and 246 veterans from the United States, including a group of 115 all the way from California, headed by W. H. O'Connor of San Jose, State Commander of the California State Command of the Canadian Legion. Venerable Archdeacon Frederick George Scott, Canada's famous War padre, boarded the *Antonia* at Quebec. On one of the boats were the mother and father of Hugh Cairns, V.C. of Saskatoon after whom a street in Valenciennes had been named, and the father, mother and sister of Piper J. C. Richardson, V.C. from Chilliwack, British Columbia. In a brief speech the Hon. N. M. Rogers, Minister of Labour, delivered Canada's official godspeed.

Three weeks earlier an advance guard of thirty, including Brig.-Gen. Alexander Ross, President of the Canadian Legion of the British Empire Service League, had sailed for Europe to make the necessary arrangements for the reception of the pilgrims. The Government group had sailed from Quebec by the *Empress of Britain* on July 11. They included three Cabinet Ministers, the Hon. Ernest Lapointe, Minister of Justice, the Hon. Ian Mackenzie, Minister of National Defence, and the Hon. C. G. Power, Minister of Pensions; the Hon. James G. Gardiner, Minister of Agriculture, joined them at Vimy. Others were Sir Robert Borden, Canada's War-time Prime Minister, though then in his 83rd year, Sir George Perley, Minister without Portfolio in the Bennett Government and the Canadian High Commissioner in London during the War years, Sir Eugene Fiset, Surgeon-General and Deputy Minister of National Defence in those years, Major General S. C. Mewburn, Chairman of the Canadian Battlefields Commission, Col. H. C. Osborne, Chairman, Canadian section, Imperial War Graves Commission, and Lady Currie, widow of Sir Arthur Currie, LL.D., Commander-in-Chief of the Canadian Forces in France, who was accompanied by her son.

Designed by Walter S. Allward of Toronto, Canada's War Memorial on Vimy Ridge had been in course of construction for twelve years, the work being under the direction of the Canadian Battlefields Memorial Commission of which Maj.-Gen. S. C. Mewburn, Hamilton, was Chairman. The land had been presented to Canada by the Government of France in memory of Canadian sacrifice and achievement. The monument was erected by Canada to commemorate all who fell during the Great War—in particular, the more than 11,000 Canadian soldiers who, killed during the three and a half years' of fighting in France have no known graves. It was also to commemorate the French troops who fell at Vimy. The principal features of the Memorial are two great pylons, each 138 feet high, representing France and Canada. Around are grouped a number of symbolic figures. The base built solidly into the highest point of Vimy Ridge represents impregnable walls of defence and has two groups representing the Breaking

of the Sword and the Sympathy of Canadians for the Helpless, surmounted by the mouths of guns draped with olive and laurel. At the base of the pylons is a group representing the Spirit of Sacrifice. Among the figures portrayed are Peace, Justice, Truth and Knowledge. On the outside of the pylons is the Cross. On the stone are carved the names of the dead, the Provinces of Canada and the battle honours of the regiments that fought for the Ridge. Surrounding the Monument is a park of Canadian maple and fir. After careful consideration of the qualities of stone necessary for a lasting monument it was decided to use stone from a quarry near Spalato, the palace erected by the Roman Emperor, Diocletian, on his retirement, and not far from Sarajevo, the scene of the assassination of the Austrian Heir Apparent, the Archduke Ferdinand, and his wife—the spark which set the world ablaze.

Distinguished representatives of the public, military and cultural life of Great Britain, France, the United States, Poland, Portugal, Japan and Italy were present at the unveiling ceremony on July 26, 1936. Several widows of famous British War leaders also attended. An interesting group included Mr. Walter Allward, Major D. O. U. Simpson, monument engineer, and Mr. Luigi Rigamonti, the designer's assistant. The scene was described by a press dispatch as follows:

"The immediate area surrounding the monument was hemmed in by a line of French soldiers, and inside this line the Canadian pilgrims and official representatives had their places. Drawn up at the rear were Canadian veterans and sailors, and Moroccan Spahis in their colourful uniforms—white cloaks with khaki turbans, red tunics and blue trousers. The Spahis rode white horses. Fronting the monument were the 6,000 pilgrims who crossed the Atlantic for this day of dedication. 'God Save the King' and 'O Canada' heralded the arrival of King Edward with the Hon. Ernest Lapointe. After inspecting the guard of honour from *H.M.C.S. Saguenay,* he ascended the monument where a number of Canadians were presented.

"Formal presentations over, the King mingled with cheering veterans who broke into the unmartial strains of 'For He's a Jolly Good Fellow' as the Sovereign stopped to talk with one or other of their number."

The President of France (M. Albert Lebrun) arrived shortly after His Majesty. During the procession to the dais squadrons of the Royal Air Force and the French Air Force flew over the Memorial in an air salute. Addresses were given by the Rev. Cecil C. Owen, Vancouver; the Rev. G. O. Fallis, Toronto; and the Rev. E. A. Deschamps, Montreal, "Flowers of the Forest" was then played by the Canadian piper. The Message from the Rt. Hon. Mackenzie King, Prime Minister of Canada, was read by Major C. G. Power, Minister of Pensions and National Health for Canada. Canada's two official representatives, Mr. Lapointe and Mr. Mackenzie gave brief addresses. The unveiling by His Majesty then took place after a five-minute address. President Lebrun spoke after the King. The address of His Majesty, the first half of which was in French and the last half, in English, was as follows:

"I am very grateful to you, Mr. President, for having made the journey to Vimy to join with us on the occasion of to-day's ceremony. The presence of the President of the Republic will touch profoundly the Canadian people. For my part I congratulate myself that you have given me the opportunity to express from the bottom of my heart to the French nation my thanks and all gratitude of the people of Canada for the honour you have done to those whose sacrifice is inscribed on this monu-

ment and for the welcome you have accorded to their parents and friends who have crossed the ocean to be present at this inauguration."

(His Majesty then continued in English)

"In the capital city of Canada in the heart of the Dominion there is a Memorial Chamber, set apart as a perpetual reminder of the service and losses of Canada in the Great War. Nine years ago I had the privilege of dedicating an altar within it where will lie forever a 'Book of Remembrance' recording the names of more than 60,000 Canadians who gave their lives for the cause which Canada made her own. Above the door is graven: 'All's well, for over there among his peers a happy warrior sleeps.' These words reveal the inner meaning of what we do to-day. They tell us that, beautiful and impressive as is the Ottawa memorial, the Canadian people would not feel it was complete. It was 'over there' that Canadian armies fought and died. It is 'over there' that their final monument must stand.

"To-day 3,000 miles from the shore of Canada, we are assembled around that monument—yet not on alien soil. One of our English poets, Rupert Brooke, whose ashes lie in an Ionian island, wrote that where he lay would be 'forever England'—that England for which he died. He spoke a parable; but here to-day that parable is living truth. The realization of it will, I know, bring comfort to many thousands of Canadian men and women. For this glorious monument crowning the hill of Vimy is now and for all time part of Canada. Though the mortal remains of Canada's sons lie far from home yet here where we now stand in ancient Artois their immortal memory is hallowed upon soil that is as surely Canada's as any acre within her nine provinces. By a gesture which all can understand, but soldiers especially, the laws of France have decreed that here Canada shall stand forever.

"We raise this memorial to Canadian warriors. It is an inspired expression in stone chiselled by a skilful Canadian hand of Canada's salute to her fallen sons. It marks the scene of feats of arms which history will long remember and Canada can never forget. And the ground it covers is the gift of France to Canada.

"All the world over there are battlefields, the names of which are written indelibly on the pages of our troubled human story. It is one of the consolations which time brings that the deeds of valour done on those battlefields long survive the quarrels which drove the opposing hosts to conflict. Vimy will be one such name. Already the scars of war have wellnigh vanished from the fair landscape beneath us. Around us here to-day there is peace and rebuilding of hope. And so also in dedicating this memorial to our fallen comrades our thoughts turn rather to the splendour of their sacrifice and to the consecration of our love for them than to the cannonage which beat upon this Ridge a score of years ago.

"In that spirit, in a spirit of thankfulness for their example, of reverence for their devotion and of pride in their comradeship, I unveil this memorial to Canada's dead."

The Canadian Prime Minister's message to the assemblage was brief but moving—it was as follows:

"'O valiant hearts, who to your glory came
Through dust of conflict and through battle-flame;
Tranquil you lie, your knightly virtue proved,
Your memory hallowed in the land you loved.'

"In your name, Canada appeals to the nations of Europe to-day. This she does in the honoured presence of her King, and of the President of the Republic of France, and of numbers of those who were once your comrades in arms.

"Canada wishes the nations of Europe to know that her thoughts, while of you, are also of the many loved ones of their lands, who, like you, lie silent in their graves. In their name, as well as in yours, Canada speaks to-day. Canada asks that the nations of Europe strive to obliterate whatever makes for war and for death. She appeals to them to unite in an effort to bring into being a world at peace. This is the trust which we, the living, received from those who suffered and died. It is a trust which we hold in common. 'A world at peace,' Canada believes, is the only memorial worthy of the valour and the sacrifice of all who gave their lives in the Great War."

Both Mr. Lapointe and Mr. Mackenzie stressed the obligation to strive for peace in the light of the sacrifice made for that cause by the thousands whose deaths were commemorated in the Vimy monument.

M. Lebrun thanked King Edward for the honour conferred upon France by his presence; and the Canadian Government for the erection on French soil of a memorial to "its 60,000 sons who fell fighting far from their homeland and in honour of the Army Corps commanded by General Byng which in 1917 took Vimy Ridge in an action as glorious as it was bloody."

The ceremony was broadcast to Canada and memorial services were held in many places. King Edward had crossed to France on the Admiralty yacht *Enchantress*. He had intended to take a short holiday at Cannes but gave up the idea on account of the trouble in Spain and flew back to London after the ceremony. Through the generosity of the French Government the pilgrims later had sufficient time to visit many places in Northern France which were familiar to them under very different circumstances some twenty years before. In Paris, French War veterans entertained 5,000 Canadian comrades at a banquet in the great Court of Honour of the Invalides; Marshal Henri Petain, the hero of Verdun, presided. In London, on July 29, the Duke of Gloucester entertained 8,000 Canadian Vimy pilgrims at a garden party at which King Edward made a surprise appearance and delivered a short address to the guests.

A number of entertainments were given in London and Paris in honour of the Canadian Government representatives and the Canadian Legion official party, both before and after the Vimy dedication.

THE PROVINCE OF ONTARIO

The Liberal Administration: Mr. Hepburn as Prime Minister during 1935-36

In common with all Governments the Hepburn Administration during 1935 and 1936 had to contend with the twin problems of governmental financing and unemployment relief. In addition, there were two other major questions which demanded the attention of the Liberal Government of Ontario during the two years: the power contracts of the Ontario Hydro-Electric Power Commission and the need of a larger share of corporation and public utility taxes for Ontario separate schools. The period was also marked by the appointment of an additional member to the Cabinet; by a change in the fiscal year; by a number of readjustments in the Public Services; and by a By-Election in each of the two years.

At the beginning of 1935 the Prime Minister, the Hon. Mitchell F. Hepburn, issued a New Year's message recommending a spirit of "confident optimism" to the people of Ontario. During his absence on a holiday visit to the West Indies, the Hon. H. C. Nixon, Provincial Secretary and Registrar, was Acting Prime Minister. On his return Mr. Hepburn lost no time in rejecting the proposal of the Rt. Hon. R. B. Bennett (Prime Minister of Canada) for a Dominion Minimum Wage law. On Jan. 30, Mr. Hepburn announced that the Province would eventually establish a minimum wage for male workers.

On Jan. 16, as Provincial Treasurer, Mr. Hepburn announced the sale of Treasury notes to banks to the amount of $20,000,000 at an interest rate of 2.25 per cent. *per annum* which he described as "the cheapest money we have ever had"; it was proposed, he said, later on, to go into the long-term bond market, figuring on still cheaper money; but that in the meantime, the Treasury notes would take care of maturing obligations.

A flutter of excitement was caused in financial and political circles in June when the Provincial Government called for tenders for a bond issue of $15,000,000 without receiving a single offer. The Government had split the call three ways in equal lots of 5-year 2¼ per cent., 10-year 2½ per cent., and 15-year 3 per cent. There was considerable uncertainty as to the possible attitude of bond houses and banks to the offering, according to *The Mail and Empire,* Toronto (June 7, 1935). Bond organizations, it said, found themselves in a difficult position in view of the threatened repudiation of the Quebec power contracts, and some considered that the rates were too low, particularly the long-term issues for which there was, they believed, not a ready market. As the newspaper pointed out, local houses objecting to the low rates could have overcome that by putting in bids under par—that it would have increased interest yields, but the Government would have had the right to reject such bids, and it was believed by some that the Government would have rejected any local offer under par.

The absence of tenders led to a long notable controversy. In a public statement issued on June 13 (1935), Mr. Hepburn affirmed that "the financial interests undertook to discipline the Government of Ontario because of their stand on the power purchase question." As he saw it,

"the plain issue is whether the country is to be governed by elected representatives, or by the dictators in control of the machinery of money." It was not difficult, he said, to raise money by taxation, and it would be the duty of the Legislature very soon to find where the surplus money was and to tax it. He said that the Savings Bank's facilities might be so extended as to enable the Government to market their own bonds direct, and that there would be no surrender. Bondholders were assured that the contractual obligations of the Province would be met in their entirety. Commenting on the utterance of the Prime Minister, Mr. A. E. Phipps, General Manager of the Imperial Bank, according to Press reports, stated that: "The financial institutions of the Dominion are not trying to govern the country. Further, the banks had nothing to do with the fact that the Ontario Government did not receive a single bid for their $15,000,000 bond issue. The plain fact is, the securities were not salable at the interest rates quoted." The President of the Investment Dealers Association of Canada, Mr. R. W. Gouinlock, observed that, while he was not authorized by the Association to make any statement, his own view was "that with repudiation of the Quebec power contracts the public is not anxious to invest in Ontario bonds, particularly at a very low interest rate. The suggestion that financial institutions are trying to seize the Government of the country is absurd. We are business men, and intend to stick to business. From this standpoint yesterday's $15,000,000 issue was not a good buy and no one bid on it." An unexpected result of the deadlock was the announcement on June 14 by the Hon. Duncan Marshall, Minister of Agriculture that "in view of the attitude of the financial interests resulting in the regular channels for borrowing becoming closed, the Agricultural Development Board has deemed it advisable to discontinue making farm loans." At the time, 400 applications for farm loans were pending.

As a means of attracting money to the Government Savings Branches the rate of interest on deposits was advanced on June 15 (1935) from 2 per cent. to 2½ per cent., and instructions were issued to the Liquor Control Board and the Workmen's Compensation Board to transfer their funds to Government Savings Offices. On the same day an official announcement was made of a $20,000,000 issue of Government Bonds comprising two-year Bonds to yield 2.75 per cent. and five-year Bonds to yield 3 per cent. This action was described by the Prime Minister as the Government's "declaration of independence." Ten days after the loan was offered to the public Mr. Hepburn announced (June 24) from his home in St. Thomas that it had been over-subscribed and that the subscription list was closed. He added: "The manner in which the issue has been received has been most impressive and encouraging, and has demonstrated beyond a doubt that the credit of the Province of Ontario is of the very highest order. It is especially gratifying to note the large number of smaller subscribers who have shown their faith in the bonds of their Province." The original offer of $15,000,000 as already mentioned was 2¼ per cent. for 5-year debentures, 2½ per cent. for 10-year debentures, and 3 per cent. for 15-year debentures, whereas the offering of $20,000,000 was 2¾ per cent. for 2-year debentures and 3 per cent. for 5-year debentures. As *The Globe,* Toronto, pointed out (June 20) "a comparison of the interest rates on the two issues cannot be made without knowledge of the price at which the original might have been placed."

Another phase of the financial problem was developed when a municipal deputation waited on the Prime Minister, July 10 (1935), to lay difficulties of the municipalities before him. Complaint was made of the

rate of interest charged for bank overdrafts. The Mayor of Kitchener (Mr. Smith) explained that that City was paying 5 per cent. for the accommodation. Mr. Hepburn replied (*The Toronto Daily Star,* July 10) "That's out of all proportion to money values to-day. We can borrow all the money we need at 3 per cent. or less. We can get American funds at one per cent., but we would have to obligate the Province to pay in American funds." Mr. Hepburn, asked why the Government could not borrow the money and lend it to the municipalities, replied: "That's what I have in mind." Addressing a Liberal rally in Woodstock, Aug. 13, 1935, Mr. Hepburn declared (*The Globe,* Toronto) that the Bank of Canada was allied with the financial interests when they tried to "discipline" the Ontario Government during the recent controversy over bond flotations. He endorsed the proposal to bring the Bank under public ownership as offered by the Rt. Hon. W. L. Mackenzie King (Dominion Leader of the Liberal Party). Speaking at Rondeau Park (*The Mail and Empire,* Aug. 17), Mr. Hepburn declared that a Liberal victory in the pending Dominion General Election would ease the burden on Ontario and aid him in fighting for lower interest rates. He added: "I will have more to say to the financial interests. We could deal with them more effectively if we had a Bank of Canada such as that advocated by the Liberal Party." Official announcement was made on Aug. 23, 1935, in the Press that the Ontario Government had sold $10,000,000 in 2 per cent. 2½-year coupon bearing bonds maturing Feb. 15, 1938, to a syndicate headed by Wood, Gundy and Company at a price to the Province of 2.48 per cent.

A wider range was given to the discussion of the financial problem by the attitude of Mr. Hepburn to debt conversion at the Dominion-Provincial Conference held at Ottawa in December, 1935. A special dispatch from Ottawa to *The Toronto Daily Star,* Dec. 11, stated that: "Premier Hepburn created consternation in financial and political ranks to-day as reports of Ontario's plea for compulsory refunding of all governmental and municipal bond issues at a nation-wide interest rate of 3 per cent. seeped out of the Dominion-Interprovincial Conference here." The dispatch stated that the plan was the major sensation of the Conference and precipitated an immediate split between the old-line Liberals and the Hepburn followers. Another dispatch to *The Toronto Daily Star* stated that the Hepburn suggestion "was understood to be a direct invitation to the Conference, which includes the Dominion, to serve direct and nation-wide notice that at a given date all bonded debt of the Dominion, Provinces and municipalities would carry interest at 3 per cent., no matter where the securities are held, so that interest and principal might be guarded against default." *The Gazette,* Montreal, stated (Dec. 19) that while it was not made clear whether the proposed debt conversion was to be optional or compulsory, "the attitude of the Ontario Government with regard to some of its other obligations seems to justify the assumption that compulsion would follow if persuasion failed." *The Gazette* added that "Mr. Hepburn's ideas were approved by only two other Provinces, Alberta and British Columbia, whose attitude, probably, was no surprise to anybody." In a statement issued to The Canadian Press, Dec. 16, Mr. Hepburn said: "I did not say three per cent., but what I did say was that it was a vital necessity for Canada to take some such action as was taken by England and Australia. It is better to attack this question courageously now than to stand by and watch increased governmental borrowing pyramid until a collapse threatens."

Early in 1936 on his return from a holiday in Florida Mr. Hepburn stated (*The Globe,* Jan. 30) that: "unless, as part of a National debt-

refunding scheme, the Ontario Government will not embark upon a conversion programme of their own." He said also that "all debenture issues outstanding against the Government would be honoured in both principal and interest." This assurance was confirmed officially and authoritatively by the Lieutenant-Governor in his Speech at the opening of the Legislative Assembly on Feb. 11, 1936. (See elsewhere in this Volume.)

Announcement was made Aug. 29, 1936, that the Ontario Government had arranged to retire $7,339,000, part of a 2½ per cent. loan placed Aug. 30, 1934, and that the retirement would be effected out of Ordinary Revenue. Sale of a long term loan of $20,000,000—the first flotation of that kind made by the Hepburn Government—was effected Dec. 16, 1936. The issue, which was a 3 per cent., 15-year loan was claimed by the Treasury to be the cheapest money obtained by any Province since the Great War. It was sold to a syndicate headed by Wood Gundy and Company at 96.81 which yielded an interest rate of 3.125 per cent.

The Public Accounts for the fiscal year ended Mar. 31, 1936, being the first complete fiscal year of the Hepburn Administration, were issued to the public Sept. 2, 1936. The volume (see elsewhere in this Volume) became the subject of considerable comment. The charge had been made by the Hon. Earl Rowe, Conservative Leader, that the Public Accounts were several months overdue. To this Mr. Hepburn replied that the Accounts were not actually due until the ensuing Session of the Legislative Assembly. However, they were issued, as stated, for publication on Sept. 2. *The Mail and Empire* said (Sept. 2, 1936) that "forecasts of Revenue and Expenditure as made by Premier Hepburn in his Budget Address of the last Session (1936) are pretty well borne out by the exact figures now available. The Deficit showed a slight improvement over his forecast. The Gross Debt figure for the year, according to Treasury officials, is down by at least $20,000,000 at present." On the same date *The Globe* stated that the Public Accounts showed that "the Ontario Government in 1935-36 operated at a Surplus of $8,470,662—until the Relief Bill came in. That $21,000,000 crimp in the Provincial finances produced a Deficit of $13,342,000"; also that the Gross Debt of Ontario was $689,-558,513 on Apr. 1, 1936. The Conservative Leader maintained that the Public Accounts revealed a large increase in the Provincial Debt under the Hepburn Administration. Speaking at Georgetown (*The Mail and Empire,* Sept. 14, 1936) Mr. Rowe said: "The Provincial Debt as of July 1, 1934, was $614,392,324; the Debt on Apr. 1, 1936, was $689,558,513, an increase of $75,166,189. Added to this must be the sum of $14,154,000, withdrawn from the Ontario Hydro-Electric Power Commission, making a total increase of $89,320,189, or over $160,000 for every working day the Hepburn Government have been in power."

A new and intensive campaign to collect Succession duty taxes was announced by the Prime Minister on May 4, 1936. He intimated that an agreement had been reached with the Dominion authority whereby both Governments would co-operate to ensure the success of the new drive; that it was usually found that where the Province had been defrauded of Succession duties the Dominion Income Tax Branch had also been defrauded; and that working together a large amount might be collected. In a speech at Oakville, Aug. 17, 1936, Mr. Hepburn said that by the end of the current fiscal year the Ontario Government would have collected $15,000,000 in unpaid Succession duty taxes. He estimated that during the previous ten years the Province had been defrauded of Succession duties totalling between $30,000,000 and $50,000,000.

Unemployment Relief, 1935 and 1936

Adoption of a road-building programme which would afford employment to 4,000 men in north-central Ontario was announced at Toronto Jan. 3, 1935, on behalf of the Ontario Government by the Ministers of Public Welfare and Lands and Forests. It was predicted that the project would cut 100 miles from the motoring distance between Toronto and Pembroke, the workers to be recruited from the adjoining counties. It was definitely stated by Mr. Hepburn (Prime Minister) on Apr. 29, 1935, that no relief grants would be paid to men who were offered work and who declined to accept it. To such men the Government would apply the rule, "No work; no relief." Another principle enunciated by the Prime Minister was the departure from the policy of borrowing money to meet unemployment relief obligations. The Province, he declared, would operate on the pay-as-you-go basis. New taxation for relief purposes was foreshadowed. The policy of providing work for unemployed men by means of relief camps in Northern Ontario proved, after experience, to be unsatisfactory to the Ontario Government. Hence the Minister of Lands and Forests, Mr. Heenan, announced in an address at Port Arthur on July 1, 1935, at the opening of the Great Lakes section of the Trans-Canada Highway, that the Government would in future do their road building by means of contracts. Mr. Heenan said that a mile of road could be built by a contractor at half the costs of the relief camp system and that the worker would get a fair wage. This would mean better wages to the worker, and with the money saved the Government could build more roads.

After a conference with the Ontario Mayors' Association on July 10, 1935, on employment conditions Mr. Hepburn drew public attention to a serious shortage of labour in many rural parts of the Province. He remarked that farmers with heavy crops to handle were in dire straits for help while there were men in the cities doing nothing. Assurance was given that men on relief who took advantage of this opportunity would be taken back on relief, if necessary, after the seasons work. The Labour Department followed with a campaign to induce jobless men to work on the farms, with good results in various parts of the Province. The appointment of a Special Committee composed of Mr. Chester S. Walters, and other Departmental officials, to inquire into and report upon the heavy costs of relief administration was announced by Mr. Hepburn on July 26. It was intimated that during the harvest season all able-bodied single men would be struck off the relief rolls. The Prime Minister estimated that there were 15,000 single unemployed men on the relief rolls and, in addition, 25,000 living in homes receiving relief.

A general revision of the Government's unemployment relief policy was announced by the Prime Minister, July 30; this, he declared was absolutely necessary for the solvency of the Government. Instead of paying two-thirds of the relief costs to municipalities the Government, after Sept. 1 (1935), would pay a fixed *per capita* relief grant of $5 per month to all solvent municipalities and $7.50 to bankrupt ones. Municipalities would be required to assume full responsibility for relief administration, and the Government's relief staff would be reduced to 22 inspectorates throughout the Province. It was estimated that to maintain the existing system would cost the Province about $36,000,000 a year and it was expected that the new plan would effect a saving of $750,000 monthly. Mr. Hepburn emphasized that the change of policy was no reflection on the Minister of Welfare, but when 60 per cent. of the

entire Provincial revenue was being paid out for relief for 400,000 persons it was necessary to call a halt. The increased relief burden of Ontario was due, Mr. Croll explained, to reduced contributions from the Dominion Government. Some 2,000 persons who assembled in Queen's Park, Toronto, on Aug. 7, entered a protest against the new relief policy of the Government. A deputation from London, Aug. 22, was assured by Mr. Hepburn that the new policy would not interfere with relief work projects under way in various municipalities. On Aug. 29 Mr. Croll announced that the financial part of the new policy would go into effect on Jan. 1, 1936, instead of Sept. 1, 1935, as originally proposed. On Jan. 1, 1936, it was announced that the application of the new relief policy had been postponed until definite assurance was received from the Dominion Government as to the Dominion grant-in-aid.

Meantime, some uneasiness had been evident in certain parts of Ontario by the threatened march of unemployed from Western Canada to Ottawa along with a contingent assembled in Ontario. The Western trekkers—about 450—halted at Kenora on July 19 (1935) where they accepted the offer of the Ontario Government to transport them back to Winnipeg, sending five of their number on to Ottawa to join the Ontario trekkers. It had been expected that about 2,000 unemployed would gather in Ontario and proceed to the national capital. The Mayor of Ottawa appealed to the Ontario Government to stop the movement but the Government declined to interfere. Some 400 men and women, under the auspices of the Ontario Workers Federation of Unemployed, marched from Toronto to Ottawa in fairly orderly fashion, receiving local aid *en route*. Failing to get any encouragement at Ottawa after two weeks' stay, the trekkers broke camp Aug. 22 (1935) and returned to Toronto, where the movement disintegrated.

Local friction arising out of demands for increased pay for relief work, or better treatment in the distribution of direct relief, developed during 1935 and 1936. The most acute situation occurred at North Bay early in July, 1936, where the municipal authorities closed the local relief office claiming they had no funds to continue the distribution of relief, but the trouble subsided when payments were resumed, after negotiations with the Province. There were also threatened disturbances among unemployed in the suburban areas of the Townships of York and Etobicoke, near Toronto, in Sturgeon Falls and elsewhere, which were overcome without serious consequences beyond the application of measures to ensure the protection of law and order.

The Power Problem, 1935 and 1936

One of the major problems with which the Government had to deal during 1935 and 1936 arose out of the contracts for the purchase of Quebec power entered into by the former Administration (Conservative). These contracts, which had been denounced as onerous and improvident by the Liberal Opposition, were the subject of legislation during the first Session of the Legislature since the formation of the Hepburn Cabinet. This legislation—the Power Commission Act 1935 (Chapter 53)—declared the contracts "to be and always to have been illegal, void and unenforceable as against the Hydro-Electric Power Commission of Ontario." It was further enacted that: "no action or other proceeding shall be brought, maintained or proceeded with, against the said Commission founded upon any contract by this Act declared to be void and unenforceable, or arising out of the performance, or non-performance of any of the terms of the said contracts."

It was provided that the law would come into operation on a date to be named by the Lieutenant-Governor-in-Council by proclamation, thus affording time for negotiations and possible modification of the contracts instead of cancellation. Meanwhile, it was contended that the legislation injuriously affected the credit of Ontario and of Canada. *The Times* (London) of May 13, 1935, cited, among other factors, the action of the Ontario Government in passing legislation repudiating the contracts of the State Hydro-Electric Commission, as having "dealt a blow to Canadian credit." Speaking in the House of Commons May 21, Mr. Bennett stated, that Canada's credit in the United Kingdom had been affected when the Ontario Legislature cancelled the Quebec power contracts. Power deliveries under the contracts were to increase from year to year until the maximum quantities contracted for were reached, but it was announced on June 11, 1935, in *The Globe* that "the Ontario Hydro-Electric Commission had ordered a stop to any increase of Quebec power imports on July 1." This announcement appeared shortly before tenders were to be opened for the Provincial loan of $15,000,000. The fact that no offers were made for the loan was interpreted, on the one hand, as an effort by the financial interests concerned to coerce the Government, and, on the other hand, as a result of the injured credit of the Province. The Government succeeded, however, in floating a loan of $20,000,000 shortly afterwards by direct sale to the public, on what it considered to be very advantageous terms, and later on in the year further loans were placed by the Province, as related elsewhere in this Section. Bondholders of the various power companies, who provided the capital for the undertakings on the strength, it was affirmed, of the power contracts with the Hydro-Electric Power Commission, met in Toronto on Oct. 16, 1935. They represented total bond holdings of $190,000,000 bearing interest at 5.27 per cent. and endorsed a plan for refunding the securities at a coupon rate of 3.27 per cent., interest to be guaranteed by the Governments of Quebec, Ontario, and the Dominion (Canadian Press dispatch). Coupled with this proposal was the suggestion of a revision of the contracts on modified terms; for which a Committee headed by I. E. Weldon, K.C. of Toronto, was appointed to negotiate. The threatened cancellation of the contracts had exposed Eastern Ontario to a shortage of power in the event of the supply of 60-cycle power from the Gatineau Company being discontinued. To guard against this contingency the Hydro-Electric Power Commission had undertaken to instal a frequency change-over station at its Chats Falls development on the Ottawa River. On Oct. 17, 1935, according to a Press announcement (*The Globe*), this work had been rushed to completion and that, in consequence, the Commission was independent of all Quebec power supply.

Up to this time no action had been taken by the Ontario Government towards bringing into effect the Power Commission Act, 1935. On Oct. 18 the Commission unanimously recommended that the Act be forthwith proclaimed, and advised that "it is in a position to carry on its operations, and give all essential services to the power and light users of the Province, without dependence on power supplied under the agreements mentioned in the said Act." Pending negotiations with the companies, cancellation of the contracts by proclaiming the Act of 1935 was stayed, and it was announced, Oct. 25, 1935, that before the Government would arrange new contracts the authority of the bondholders would be required. A meeting of bondholders in Montreal on Oct. 29 failed to reach an agreement but requested the Government to submit a proposal. Discussions were continued without result until Dec. 6, 1935, when the

Government by Order-in-Council proclaimed the Power Commission Act declaring all the contracts to be null and void. The power deliveries had been stopped by that time except 85,000 horse power from the Gatineau Power Company for primary demand and 113,000 horse power for steam generation purposes. Mr. Hepburn was quoted as saying (*The Globe*, Toronto, Dec. 7) "We're through. But the four companies can return to us if they like; they can go to the Hydro-Electric Commission if they so desire." An official statement issued by the Government (Dec. 7, 1935) declared that the Companies had not been able to agree on a combined offer. Three of them—the Beauharnois Light, Heat and Power Company, the James Maclaren Company Limited and Ottawa Valley Power Company (Chats Falls Power Company) joined in one offer and the Gatineau Power Company made a different offer on its own behalf. The offer of the three companies was to reduce the aggregate commitment, including Gatineau by 191,440 horse power, leaving the Hydro-Electric Power Commission to absorb 542,000 horse power involving an annual payment at $15 per h.p. of $8,130,000, or a loss to the Hydro-Electric Power Commission after allowing for used power, of $6,630,000 a year. This the Government decided was impossible of acceptance. The Gatineau Power Company offered a revision of its contract with the elimination of certain objectionable features, but would not surrender its right to shift to the Hydro-Electric Power Commission increased costs due to any new Quebec taxation. This reservation, Mr. Hepburn declared, was fatal to any agreement. A further offer made by the Gatineau Power Company was to supply the Ontario Commission with 100,000 horse power required for the Winter's maximum demand, and to furnish power in additional amounts as the demand grew until the full 260,000 horse power contracted for was absorbed. It was also proposed by the Gatineau Power Company that they should continue to supply the power being sold by the Commission for the generation of steam pending the installation of coal-fired boilers by the industries concerned. As the official statement pointed out, the power for generating steam was sold at less than $2.25 per horse power, though purchased at $15 per horse power, involving an annual loss of over $2,000,000. The Government announced that further negotiations would be carried on by the Ontario Commission "for the purchase of the power it actually requires and no more."

The Mail and Empire predicted (Dec. 7, 1935) that the day could not be far away when the industries of the Province would suffer for want of the Quebec power the Prime Minister (Mr. Hepburn) was rejecting, and it added: "Hope now lies in the prospect of disallowance at the hands of Mr. Mackenzie King." On this phase of the subject a Canadian Press dispatch (Dec. 7) quoted Mr. Hepburn as saying: "Both Mr. King and Mr. Bennett declared in their campaign speeches that they would do nothing of the kind. If they did disallow, however, I have only one recourse —that is to dissolve the House and present the issue to the people. This I am quite willing to do."

About two weeks later, on Dec. 20, 1935, it was announced by the Hydro-Electric Power Commission that two new power contracts had been arranged; one with the Gatineau Power Company for 100,000 horse power and the other with the Maclaren Company for 40,000 horse power at a price of $12.50 per horse power. The Gatineau contract obligated the company to reserve 260,000 horse power for "Hydro," the reserved power to be paid for at the rate of $1.75 per horse power. Both contracts were for ten years and could be terminated thereafter by either party on two years' notice. The objectionable features in the old contracts, such

as payments in New York funds, liability for increased taxation by Quebec, and limitations by the Province of Quebec against exportation, were eliminated. The Hydro-Electric Power Commission estimated that the payments under the two new contracts would be, at the outset, at the rate of $2,205,000 a year, whereas the payments under the four cancelled contracts at that time would have been $9,285,000. When these two new contracts were submitted to the Cabinet for ratification on Dec. 23, 1935, action was deferred for further consideration. The obstacle to ratification of the Gatineau contract was reported in the Press to have been the charge of $1.75 per horse power on all power reserved for Ontario which would have raised the price of power used to $14.25. On Jan. 31, 1936, the Commission announced the initial delivery of 40,000 horse power by the Maclaren Company, pending ratification of its new contract by the Cabinet. A new contract with the Gatineau Company, satisfactory to the Commission and the Cabinet, was announced by Mr. Stewart Lyon, Feb. 10, 1936, the details of which were to be laid before the Legislature at its approaching Session. (See Session of Ontario Legislature, 1936.)

Further negotiations for amended agreements with the Ottawa Valley Power Company and the Beauharnois Light, Heat and Power Company had failed when the courts were appealed to by both Companies. In a statement filed in Toronto Jan. 30, 1936, the Ottawa Valley Power Company claimed that the Act of 1935 declaring the power contracts to be illegal and void was *ultra vires* of the Ontario Legislature. The Company also asked for judgment against the Hydro-Electric Power Commission for $115,000 due on power made available. The case was tried by Mr. Chief Justice Rose at the Non-Jury Assize Court in Toronto in May, 1936, Mr. W. N. Tilley, K.C. appearing for the plaintiff Company and Mr. I. A. Humphries, K.C. for the Attorney-General and Mr. R. S. Robertson for the Hydro-Electric Power Commission. The arguments of counsel were concluded on May 15, but judgment was reserved until June 3, when the Court dismissed the action of the Ottawa Valley Power Company with costs against the plaintiff, the decision turning entirely upon the question as to whether or not the Legislature had power to bar such an action from the Courts unless consented to by the Attorney-General. On this point the learned Judge observed: "If the Legislature is competent to destroy a right of action altogether, there can be little doubt that it is competent to enact, that an action shall not be brought unless some specified consent is first given." Notice of an appeal against the judgment was immediately served on behalf of the Ottawa Valley Power Company. The appeal was argued at the Ontario Court of Appeal Sept. 21, 1936, before Chief Justice Latchford, Mr. Justice Riddell, Mr. Justice Middleton, Mr. Justice Masten and Mr. Justice Fisher by Counsel who appeared in the Court below. Judgment of the Appeal Court was reserved at the conclusion of arguments of Counsel on Sept. 25. The Court of Appeal rendered judgment on Nov. 19, 1936, reversing the decision of Chief Justice Rose. Three of the judges—Justices Masten, Fisher and Middleton—constituted the majority with the two other judges—Chief Justice Latchford and Mr. Justice Riddell dissenting. Presenting the majority view Mr. Justice Masten maintained that "a Provincial Legislature is powerless to derogate from civil rights outside the Province. It seems to me plain that in the present case the civil rights outside the Province are distinctly derogated from, and therefore that Section two of the Act of 1935 is *ultra vires.*" The Section referred to declared that the contracts in question were and always had been illegal, void and unenforceable. Mr. Justice Middleton held also that "the legislation does not concern 'civil rights in

the Province,' but is an attempt to destroy civil rights which have no territorial limitations and in my opinion, is *ultra vires* of the Province." Commenting on the judgment Mr. Hepburn (Canadian Press, Nov. 23, 1936) said: "This is a temporary hollow verdict. This Government in the public interest will fight to a finish, and, I repeat, will never pay." He foreshadowed an appeal by the Province against the judgment, and, if necessary, further legislation at the ensuing Session of the Legislature.

A second action against the Hydro-Electric Power Commission, the Attorney-General of Ontario and the Royal Trust Company entered by the Beauharnois Light, Heat and Power Company early in 1936 was heard by Chief Justice Rose in Toronto, beginning Oct. 5, 1936. As in the Ottawa Valley Power Company case, the plaintiffs claimed that the Power Commission Act of 1935 was *ultra vires* of the Province. They also claimed that the sum of $573,000 was due them from the Hydro-Electric Power Commission under their contract. After hearing arguments for five days by Mr. Tilley and Mr. Peter Wright representing the Beauharnois Company, and Mr. Robertson and Mr. W. George Hanna, for the Commission and Mr. Humphries for the Attorney-General, the Court on Oct. 10, 1936, reserved judgment pending the result of the appeal in the Ottawa Valley Power Company's case. On Dec. 29 Mr. Hepburn intimated that if the Ottawa Valley case was to be heard by the Imperial Privy Council at its January, 1937, sitting he would recommend the calling of the Legislature together as early as possible.

Separate School Taxes, 1935 and 1936

A deputation from the Catholic Taxpayers Association waited on the Hepburn Government, Jan. 23, 1935, headed by Mr. Martin J. Quinn, Chairman. The request of the deputation was for legislation granting the Catholic minority a greater share of corporation and public utilities taxes. Following the hearing Mr. Hepburn announced that the deputation sought "only rights and privileges equal to those enjoyed by the Protestant minority in Quebec." Having heard the Catholic side, he said, the Cabinet would await the representations of those who held opposite views. Such views were presented to the Government on Feb. 14, 1935, when they were waited upon by a deputation of 200 from the Orange Order, various Protestant churches and organizations, school boards and municipal councils. In a brief submitted, it was represented that the request of the Catholic organization amounted to a bonus to a system which existed to teach Catholic doctrines. It was denied that separate schools had been unfairly treated in the matter of school grants, and it was affirmed that the non-religious schools in Quebec received less than the separate schools in Ontario. The deputation expressed the belief that continued demands for concessions for separate schools would lead to the establishment of a national school system. In reply, Mr. Hepburn declined to make any statement, but promised that the whole question would be carefully studied, particularly in relation to the condition of the minority in Quebec; that the Government would submit their plans to their supporters in caucus when the Legislature met; and that they would not be cowed by any propaganda.

Reference to "equitable distribution of the cost of education," in the Speech from the Throne at the opening of the 1935 Session of the Legislature caused much comment. Political observers were quick to interpret this as meaning that the Hepburn Administration would propose a larger share of corporation taxes to separate schools (*The Toronto Daily Star*, Feb. 20, 1935). *The Evening Telegram* (Feb. 20) stated that a vote on

Catholic demands for corporation taxes would cut through Liberal ranks in the Legislature and threaten seriously the Government's life according to Members whose opinion had been sounded. Mr. Hepburn, in an interview with *The Globe* (Feb. 21), stated that this reference in the Speech "had no particular relationship to the separate school question." He said that the expression "equitable distribution of the cost of education" referred to the tax troubles which beset almost every Ontario municipality; that the municipalities were so burdened with the multiplication of all taxation—including school taxation—that they were being forced into bankruptcy. The Legislature, Mr. Hepburn declared, must render some assistance. "The whole Province," he declared, "is under survey but the Administration has not yet arrived at any definite conclusions with respect to ways and means of remedying the situation in a way that is fundamentally sound." *The Mail and Empire* (Mar. 14) declared: "From within the ranks of his own followers in the Legislature pressure is reported as being brought to bear on the Prime Minister in order to have him defer until another Session at least, legislation that would give to the separate schools of the Province a larger share of corporation and utilities taxes than they now enjoy. It is understood that with the Hon. Peter Heenan and the Hon. L. J. Simpson absent indefinitely the Cabinet is not as keen now to act this Session as it was when the Legislature assembled."

On Apr. 11, Mr. Hepburn told the Members that there was very little more legislation to be brought down. When questioned about the request of Ontario separate schools for a greater share of corporation and utilities taxes Mr. Hepburn said: "The matter will be dealt with at the Fall Session (this Session was not called). It has been impossible to make a survey owing to the absence of the Minister of Education during the whole Session. Plans are complete to make a thorough study of the whole problem. We recognize that an inequality exists. This has been recognized by previous Governments in the making of additional grants to separate schools.. A practical solution should be applied and that is the problem that we must solve as soon as possible." (*The Globe,* Apr. 12, 1935).

Disapproval of the request of the Catholic Taxpayers' Association for the proposed legislation was voiced by Resolution by the Trustees and Ratepayers Department of the Ontario Educational Association on Apr. 25, 1935. The Synod of the Anglican Diocese of Niagara, at its meeting on May 15, at Hamilton, placed itself on record as "opposed to any diversion of further taxes, or to any arrangement of taxation which will establish a new principle to the maintenance of public schools."

The official announcement of the Government's decision to introduce the proposed separate school legislation was made in the Speech from the Throne on Feb. 11, 1936, followed by the enactment of the legislation amending the Assessment Act (See The 1936 Session of the Legislature). Disapproval of the Act was expressed by the Ontario School Boards and Ratepayers' Associations at their meeting in Toronto, Apr. 17, 1936, in a Resolution calling for its early repeal. Congratulations were extended to Mr Hepburn by the Prime Minister of Quebec (Mr. Taschereau) in an address at Montreal, Apr. 27, "for the unity he was creating in Canada and for the justice extended to the Catholic minority." Mr. Leopold Macaulay (Cons., York S.) attacked the measure in an address on Apr. 26 at Toronto to the South York Conservative Association which demanded the repeal of the law. At Alliston, on May 6, Mr. Earl Rowe (Conservative Leader) stated that the separate school legislation would be repealed if

the Conservatives were returned to power (*The Mail and Empire*). Speaking at Sudbury, May 14, Mr. Wilfrid Heighington (Cons.) advocated a reference of the issue to the Courts in order to determine the constitutional rights of separate school supporters. The Provincial Conservative Convention in Toronto, May 28, 1936, declared opposition to the changes in the Assessment Act, without the endorsation of the people at a General Election, and pledged itself to the repeal of the legislation. At the Annual Meeting of the Elgin Liberal Association in St. Thomas (June 24) Mr. Hepburn stated: "I am ready to fight the next Election on this issue if that is what Mr. Rowe wants. I have adopted this school tax legislation as a principle. It's sound and right and fair." (*The Gazette,* June 26, 1936).

The Globe (Toronto) of July 28, 1936, stated that what was considered a flaw in the school tax law had been uncovered:—in many districts separate school supporters were beginning to feel they would get very little money from the new tax, so little that the tax returns would not be as great as the school grants previously paid by the Province. This was characterized by the Prime Minister as "sheer speculation"; the policy of the Government, he said, was to wait-and-see. Certain corporations having failed to make the returns required by the school tax law, the opinion was offered by the Deputy Minister of Municipal Affairs, Mr. H. L. Cummings, that in such cases the taxes would be divided in the same proportion as in previous years. This view was denounced as unfair by the Chairman of the Catholic Taxpayers' Association, Mr. Quinn, and was afterwards disavowed by the Minister of Municipal Affairs, Mr. David Croll, who declared that the interpretation of the law was a matter for the Courts, not for any Department of the Government. In due course the Courts were invoked. Notices as required by the law were filed by 2,800 corporations in the City of Toronto and no returns were filed by 1,200 corporations. Against divisions made by the Court of Revision both the public and separate school boards claimed the right to appeal to that Court which held, however, that to expedite matters the appeals should go directly to the County Judge. In the County Court, Nov. 5, Judge Ian Macdonell ruled that the Court of Revision should have dealt with the individual appeals. Several questions of procedure, involving interpretations of the Act in question, elicited decisions from the County Judge. Against these rulings twenty-three appeals—thirteen by the separate school authorities and ten by the public school authorities of Toronto —were submitted as test cases to the Court of Appeal presided over by Chief Justice Rowell. The cases were still under advisement by the appeal judges at the end of 1936.

Other Policies, 1935

In addressing the Annual Meeting of the Canadian Industrial League at Hamilton Jan. 24, 1935, Mr. Hepburn dealt specifically with the deepening of the St. Lawrence River. He said: "It is proposed to build a St. Lawrence Waterway, using hundreds of millions of dollars. Gentlemen, I do not think this can be justified on economic grounds. Surely, when all our railways are losing money, it is no time to take money from the Public Treasury to provide our railways with additional competition." (*The Toronto Daily Star,* Jan. 25, 1935)

A joint agreement between the Governments of Ontario and Quebec was announced Feb. 9, 1935, whereby both Governments pledged themselves not to approve of municipal bonuses for bonus-seeking concerns. It had become the habit, Mr. Hepburn said, for promoters of industries to tell

municipalities that unless they made the concessions asked for the promoters would seek them in another Province; therefore, the Governments of Ontario and Quebec had decided to stop the bonusing of industries by municipalities, and he thanked Quebec for its co-operation in this respect.

As a means of finding a further market for the pulp industry the Ontario Government decided May 9, 1935, upon an immediate 40 cent reduction in the Crown dues of $1.40 per cord on peeled pulpwood. The announcement was made after the hearing of a deputation of bushmen and pulpwood operators headed by Charles Cox (Lib., Port Arthur). It was stated that buyers representing $1,000,000 worth of business were present and that upon the reduction being made they would place orders affording extensive employment of jobless men. The reduction applied to pulp for home consumption as well as for export.

In July, 1935, Dr. A. J. Irwin, General Secretary of the Ontario Temperance Federation, called upon the Ontario Government to use the Provincial machinery for the enforcement of the Canada Temperance Act in municipalities still under its operation. Mr. Hepburn replied that there was no legal provision for Provincial enforcement of the measure as whatever authority had existed was repealed by the passing of the Ontario Temperance Act in 1916. The only power remaining to prosecute infractions was vested by the Act in collectors of Customs. He declined to place the Government in the "ridiculous position" of trying to enforce an Act which they were under no obligation to enforce and the validity of which they strongly questioned. Another request by the Ontario Temperance Federation met with an explicit reply from the Prime Minister as reported in the Press on Sept. 9, 1936. The request was for a Provincial-wide plebiscite on the sale of beer in beverage rooms. Mr. Hepburn expressed the view that "such a referendum does not settle the question; it only aggravates it. No wet sections of Ontario will be allowed to enforce their opinion on the dry sections, and conversely no dry sections will enforce their views on the wet sections. The geography of this Province is such that we can't settle this thing with referenda. I believe absolutely in the principle of local option, and any municipality which petitions for a vote may vote itself from wet to dry, or from dry to wet as it wishes. That is the Government's policy. Let me repeat that certainly there will be no Provincial-wide referendum in Ontario."

During the latter part of 1935 the early retirement of Mr. Hepburn from public life appeared imminent from his statement to the Press (*The Toronto Daily Star,* Nov. 5, 1935): "I didn't intend the announcement to be made just yet, but as it is a matter of public interest it might just as well be known now. I intend to retire from political life after the next Session solely because of poor health. My two enemies, fatigue and worry, pursue me relentlessly on this job." The Press comment was: "Mr. Hepburn is suffering from his fourth attack of bronchitis in four years, and his inability to throw the disease off is said to have caused both himself and his physician concern." The active part he had taken in the Dominion Election campaign—travelling some ten to twelve thousand miles and delivering 65 speeches in six weeks—was stated to have been a contributing cause to his physical break-down. The news came as a great shock to the public, and elicited expressions of regret from political friends and foes alike, as well as speculations as to Mr. Hepburn's probable successor. Immediately following his announcement Mr. Hepburn left for the Southern States for rest and recuperation, leaving the Hon. H. C. Nixon in charge as Acting Prime Minister. On Dec. 4 he was back in Toronto, having flown from Miami, Florida, to Buffalo, to prepare for the

Dominion-Provincial Conference at Ottawa on Dec. 9. Though much improved in health, the Prime Minister declared that his decision to retire "still stood." He explained that it was the double responsibility that was weighing heavily upon him. After attending the Conference, in which he took an active part, Mr. Hepburn returned to Florida on Dec. 19 to rejoin his family. It was understood that he would continue in office as long as his health permitted. During his stay in Toronto the Legislature was called to assemble for the dispatch of business on Jan. 21, 1936, but subsequently, owing to the death of King George V, the meeting was postponed until Feb. 11. Mr. Hepburn returned to Toronto a few days after the opening of the Session, with health restored, resumed his various duties with his wonted vigour, and the incident of his expected retirement passed into history.

Other Policies, 1936

The announcement was made Apr. 29, 1936, that the Government had decided to abolish the Department of Northern Development which had to do with road building, land settlement and agricultural development in Northern Ontario. The activities of the Department in road construction were transferred to the Department of Highways under the Hon. T. B. McQuesten; land settlement and agricultural development were relegated to the Department of Agriculture under the direction of the Hon. D. Marshall. The Prime Minister intimated that Mr. Heenan would continue as Minister of Lands and Forests and would have plenty of work to do in administering the new forest law, and a new and aggressive policy of newsprint selling which the Government would inaugurate. It was represented further that the change would save hundreds of thousands of dollars and would meet the needs of the North as adequately as in the past.

An interesting ceremony took place at Fort Frances on July 1, 1936, when the Prime Minister officially opened the new Provincial highway between Fort Frances and Kenora. The road, which stretches 146 miles is an important link in the developing highway system of Northwestern Ontario. A similar function took place on July 4, 1936, when the Prime Minister opened the new Sioux Lookout highway connecting that frontier town with the outside world. Mr. Hepburn envisioned Sioux Lookout as the gateway to what might be the greatest mining area in the whole world. The Government also intended, he said, to build roads into Red Lake and the Patricia gold mining areas. In order that mining men might have no hesitation about going ahead with their developments, he assured them that mining taxation had been stabilized and that they would not be called upon to pay any additional taxation.

Significant signs of political activity developed in July, 1936, following the entrance of the Hon. Earl Rowe into Provincial public life as Conservative Leader. *The Mail and Empire* announced, July 17, that the Prime Minister's return to good health had evidently paved the way for a strenuous speaking tour during the next two months. "The Premier," observed the newspaper, "is said to have completely thrown off the ill-effects of his recent indisposition and to be in better physical shape than at any time since the 1934 General Election. It is now taken for granted that Premier Hepburn will lead the Government in the next General Election." Opening his tour at Oakwood near Lindsay on July 17, Mr. Hepburn filled a number of public engagements in Hamilton, Parry Sound, Oakville, Dunnville, Alliston, Dundas and several other places, including the formal opening of the Canadian National Exhibition at

Toronto on Aug. 28. Later on in the early Autumn, he visited Northern and Northwestern Ontario where he addressed audiences in the principal centres of population dealing in more or less detail with the criticism Mr. Rowe had addressed to the Ontario Government.

Elimination of such Provincial Departments as Labour, Health and Agriculture, and the centralization of their services in Dominion bureaux was urged by Mr. Hepburn in an address at the annual National Motor Show dinner in the Royal York Hotel, Toronto, on Nov. 9, 1936. He spoke, he said, not as the leader of the Liberal party in Ontario but "as a citizen of Canada who realizes that there is too much government in this country." (*The Globe,* Toronto, Nov. 10, 1936).

Mr. Charles W. Cox, Liberal member for Port Arthur, and Mayor of that city since 1934, was sworn in as Minister without Portfolio in the Hepburn Government Dec. 19, 1936. In selecting Mr. Cox, the Prime Minister said he was simply giving greater voice to the North Country in Cabinet deliberations as the Ferguson Administration had done. Mr. Cox, a native of Ontario, had farmed in Western Canada, engaged in railway work in Port Arthur and had an extensive acquaintance with lumbering and mining industries in Northwestern Ontario.

Commissions of Inquiry, 1935-36

The Report of the Commission of Inquiry by Mr. Chester S. Walters into the operations of the Ontario Athletic Commission under the former Governments was tabled in the Legislature on Mar. 7, 1935. Mr. Walters found that the object for which the Commission was established had been achieved only to a very limited degree. Evidence was adduced to show that a payment of $500 had been made by a wrestling promoter to Mr. Thomas A. Murphy, when the latter was Chairman of the Athletic Commission, which Mr. Murphy denied. A second charge of a like nature was reported "not proven." Excessive travelling expenses were reported and also a bank loan made without statutory authority as well as other irregularities. Expenditures made by the Commission on a training camp for athletes at Lake Couchiching had swallowed up a large portion of the revenues and made impossible the more general encouragement of amateur sport. Mr. Walters recommended more frequent financial reports by the Athletic Commission and the inclusion of representatives of the Ministers of Health and Education among its membership.

An Inquiry into the collapse of the Manufacturers Finance Corporation in 1928, involving heavy losses to private investors, was conducted by John M. Godfrey, as a Royal Commissioner, in June and July, 1935. Certain allegations made in a Report on the affair by Joseph Sedgwick, solicitor to the Attorney-General, in 1929 were the basis of the Inquiry. Mr. Sedgwick had charged that illegal and dishonest methods by the management of the Company had brought about its collapse. He reported that an investment of $2,800,000 had been made by the public in the concern; that $447,270 was distributed in dividends never earned; that about $520,000 was overpaid to dealers; and that $1,212,862 was invested in lien notes. It was charged that secret commissions had been paid to promoters on sales of the Company's stock, but this was disproved, as also was a charge that travelling expenses had been paid where no service had been rendered to the Company. The failure of the Company was attributed by Peter White, K.C., Counsel for the President, the Hon. J. A. McDonald (Member of the Senate) to the collapse of the piano trade, brought about in 1926 by the fierce competition of radio. Lieut.-Col. W. H. Price, former Attorney-General, testified that when the failure of the

Company occurred the Government of the day intended prosecuting certain of the directors, but as the full responsibility for the Company's affairs were assumed by W. M. McDonald, Secretary-Treasurer, since deceased, the prosecution was dropped. Evidence was given by the Hon. H. H. Stevens, whose name had been prominently mentioned in connection with the Company, that he had retired from the directorate in 1928 "without the slightest knowledge of anything being wrong," and that he had voluntarily returned commissions paid to him because he did not wish to profit in any way from the Company in view of its failure and losses. G. T. Clarkson, receiver of the Company, reported that the Company's loss amounted to $2,500,000 after allowing for a possible recovery of $300,000. In his findings on the Inquiry, July 22, 1935, the Commissioner censured certain of the directors for dereliction of duty. These included: the Hon. J. A. McDonald, President, Col. J. A. Cooper, J. A. C. Cameron, K.C., the Hon. H. H. Stevens, W. J. Westaway (deceased), Hamilton, Charles B. Howard, M.P., and N. L. Martin, Auditor. Three directors were not censured, namely, William Duff, M.P., H. R. Huot, Montreal and A. E. Hill. In view of the lapse of time, and the fact that the matter was considered by the law officers of the Crown in 1929 the Commissioner refrained from making any recommendation for further action.

Public charges made by an ex-policeman, W. C. Watt, in December, 1935, that twenty-six members of the Toronto Police Force were implicated in a recent series of robberies in that City were referred by the Provincial Government for investigation to a Royal Commission composed of Judge J. J. Coughlin of Essex County and Judge Duncan C. Ross of Elgin County assisted by Norman F. Newton, London Crown Attorney. The Inquiry was begun Dec. 21, 1935, and continued for two months. The findings of the Commission, which were made known on Feb. 28, 1936, recommended the dismissal of a patrol sergeant and eight constables. The other constables accused by Watt of being members of a gang of robbers established their innocence. The judges found that Watt, who brought the charges, had been a member of the gang for ten years. They believed that he had tried to tell a true story, but that he had made mistakes in several instances. The Inquiry had shown that thieving by police did exist, but of one thousand men on the Police Force the Commissioners found about 1½ per cent. "gravely wanting." The Commission found that the Chief of Police, General Draper, "occasionally has made mistakes in judgment, but when his mistakes in judgment are set beside his correct decisions, they fade into negligible insignificance."

Charges made during the Ontario General Election campaign of 1934 that a political "tollgate" had existed in connection with the operations of the Liquor Control Board of that period were referred early in 1935 to a Royal Commission composed of Judge Duncan Ross of St. Thomas for investigation. After hearing considerable evidence Judge Ross reported, which Report was made public on July 11, 1935. The Judge found that Harry Price, while Member of the Legislature for West York, was the real agent for a firm of distillers while his brother, Roy Price, was the avowed agent. The Commission concluded that the arrangement was made with the view that Harry Price would have influence with the Liquor Board or its officials. George Grover, liquor agent, was found guilty of supplying liquor to Conservative organizations for political purposes. The Hon. Charles McCrea's plea to the Board on behalf of a liquor agent friend was declared to have been to some extent for political purposes. The Judge observed that the Hon. Leopold Macaulay would have been wise to give an explanation under oath, of his connection with the leasing of

a Rogers Road liquor store in Toronto. As to the conduct of the Liquor Control Board, the Commissioner stated that there was no evidence that any agent paid any cash to any member of the Board, or to any officers, for the listing of liquor, but the Report added that agents could pay a toll, not in cash, and that there was conclusive evidence that two agents —Grover and Wright—had paid a toll in political fidelity and work, and that the listing of the liquor was their reward. It was recommended that the activities of agents of foreign liquor vendors be banned in Ontario, and the belief was expressed that had there been direct business association with these distillers by the Board the commissions would have been saved to the Province. The system, it was said, bad in every respect, had existed for years involving payment of commissions approximating nearly half a million dollars annually.

Charges of mismanagement and impropriety against local officials of the former government at Matheson, under the Northern Development Department, having been made by John Rowlandson, Member for South Cochrane, the Government appointed a Royal Commission of Investigation, headed by W. B. Common, of the Attorney-General's Department. After hearing the evidence offered Mr. Common reported and his findings were tabled in the Legislature, Mar. 17, 1936. The Commission found no grounds for alleged payroll padding, nor relief discrimination in the vicinity of Matheson. The construction of the Frederick House Lake Dam at Timmins was reported upon unfavourably. It was found that the dam was built at a place where, owing to quicksand, it never should have been built, and that had there been efficient inspection it would have been abandoned. As originally planned, to provide a sanctuary and feeding place for ducks at the instance of the Sporting Club of Timmins, the dam was to have cost $700. At the time of the investigation $24,000 had been spent on the project and there was still $8,000 in accounts outstanding. Mr. Rowlandson, who was reported in the Press to have described the Inquiry as a "washout," was told by the Commission that he should have "exercised discretion in his public utterances."

Following charges submitted to the Legislature at its 1936 Session by Sam Lawrence, Member for Hamilton East, at the instance of Robert Haley, a former prisoner, against the medical administration of Burwash Reformatory, an investigation was ordered by the Provincial Secretary, the Hon. H. C. Nixon. The Inquiry was conducted by C. F. Neelands, Deputy Provincial Secretary and Dr. J. B. Heaslip, Medical Director, who visited the reformatory, heard a mass of evidence, and submitted a Report which was tabled in the Legislature Mar. 16, 1936. It was found that Haley, who stated that he was tubercular, and was put to work for which he was not fit "had legitimate reasons for complaint." Another prisoner, John Collins, who arrived with suspicious chest and heart conditions, according to the jail physician, was put to light work after a very cursory examination by Dr. Malowney, the reformatory physician, and died of a lung haemorrhage. A prisoner named Nick Vratarich who was listed as having a heart condition and recommended for general work was placed with a construction gang. He died in a month of rupture of the pancreas. Mr. Neelands agreed with Dr. Heaslip that the man should not have been placed at hard labour, but held that it did not cause his death. Nearly all other complaints listed by Haley were found to be either unfounded or exaggerated, and otherwise the administration of the reformatory and treatment of the inmates were given a clean bill. The Report concluded that Dr. Malowney generally had done excellent work, but that he was

careless in some respects. He had been dismissed when the Department learned of carelessness and lack of discipline in the Medical Department, some time before the Haley charges were made. The superintendent, T. M. Gourlay, was commended for his work.

Political Affairs of 1935-1936

By-Elections were held in two constituencies in 1935 and 1936. The death of Mr. Theodore Legault, the Liberal Member-elect for Nipissing on Jan. 17, 1935, vacated that riding, which he had carried in the General Election by a majority of 6,111, more than doubling the vote of his opponent. Two candidates were nominated for the By-Election on Mar. 4, 1935, namely, J. Henri Marceau, Lib., who polled 10,877 votes, and Edward John Lawrence who received 4,070 votes. Considerable public interest was manifested in the By-Election in East Hastings caused by the death of James F. Hill, Cons., Oct. 15, 1936, who had carried the riding in the General Election by a majority of 418. The By-Election was held on Dec. 9, 1936, the candidates being Dr. Harold E. Welsh, Cons., and Dr. Harold A. Boyce, Lib. Vigorous campaigns were carried on by Mr. Hepburn and Mr. Rowe backed by their leading political associates. Political excitement reached its climax when the leaders on both sides attempted a joint debate after the nomination at Madoc; they could scarcely get a hearing from the uproarious audience. Considerable time was spent by them in the discussion of the separate school tax legislation which had figured rather prominently in the election campaign along with other provincial issues. The polling resulted in Dr. Welsh receiving 7,118 votes and Dr. Boyce, 5,982 votes, the Conservatives retaining the constituency by a majority of 1,136.

The Conservative Opposition

His Majesty's Loyal Opposition in Ontario met in caucus on Jan. 29, 1935, in Toronto. Four members of the defeated Cabinet attended: Messrs. Henry, Price, Macaulay and Challies; and twelve Members-elect of the new Legislature, as well as 45 defeated candidates in the recent General Election (1934). Mr. James F. Hill of Shannonville, Member-elect for East Hastings, was chosen as the Party Whip. Preliminary arrangements were made for the division of the work of the Opposition and for the consideration of policy. At a subsequent caucus held on Feb. 15 the study of departmental operations was allotted as follows: Agriculture and Education, Mr. Henry; Provincial Finances and the Attorney-General's Department, Col. Price; Highways and Public Works, Mr. Macaulay; Provincial Secretary and Game and Fisheries, Mr. Challies; Lands and Forests and Northern Development, Mr. Heighington; Hydro-Electric Affairs, Mr. Arthur Ellis; Welfare and Labour, Mr. Russell Nesbitt. The allotment of the Health and Mines Departments was deferred. With the concurrence of Mr. Henry, the Executive of the Liberal-Conservative Association of Ontario decided Nov. 27, 1935, to call a Convention at the earliest possible date after the Legislative Session in order to select a new Leader.

It was announced on Apr. 7, 1936, by Mr. W. H. Ireland (President) that the Provincial Convention would be held May 28, following the Annual Meeting of the Provincial Association on May 27. For purely personal and private reasons Lieut.-Col. W. H. Price, former Treasurer and Attorney-General, who had been mentioned as a possible contestant for

the Conservative leadership, announced, May 14, that he would not be a candidate for the position, nor would he seek re-election at the ensuing General Election after twenty-five years in the Ontario Legislature. Lieut.-Col. George A. Drew, K.C., announced himself as a candidate for the leadership, May 15, at Windsor. Mr. Leopold Macaulay, K.C., M.P.P., declared May 22 that he was "in the fight to the finish."

When the Provincial Association met at the Royal York Hotel, Toronto, May 27, some two thousand delegates were present. There was a keen contest for office of President occupied by Mr. Ireland, who was again placed in nomination. Two other candidates, Mr. Karl Homuth of Waterloo and Mr. C. Frost, Mayor of Lindsay, presented themselves. After Mr. Ireland was re-elected President by a majority vote the choice was made unanimous. Among other officers chosen were: Mr. C. Frost, First Vice-President; Mrs. Arthur Van Koughnet of Toronto, Second Vice-President; Mr. James Sanderson of Kemptville, Third Vice-President; Mrs. Edna Saunders of St. Thomas, Fourth Vice-President; Mr. Argue Martin, Hamilton, Treasurer; Mr. W. G. Clysdale, Secretary. In retiring from the Leadership Mr. Henry expressed satisfaction at the prospect of being relieved from the strenuous work he had carried on for five years, during three and a half years of which he had been Prime Minister. Several delegates paid tribute to the value of his services.

On the first ballot for the leadership at the Convention May 28, the vote stood as follows: the Hon. Earl Rowe, 782; Lieut.-Col. George Drew, 480; Mr. W. J. Stewart of Toronto, 157; Mr. Leopold Macaulay, 99; Mr. Wilfrid Heighington, 70; Mr. A. H. Acres, 47; and Mr. Arthur Ellis, 10. Before the second ballot Mr. Stewart withdrew, and the four last-named candidates retired automatically leaving two candidates in the field, namely, Mr. Rowe and Col. Drew. The final result was the election of Mr. Rowe as Leader, with a vote of 1,005 as against 660 polled by Col. Drew. In a series of Resolutions the Convention pledged itself to the repeal of the separate school tax legislation of 1935; to a survey of the educational system with more adequate assistance; against political interference with the Hydro-Electric Commission and in favour of municipal representation in the Commission; against arbitrary powers given to the Minister of Northern Development; against the Government's administration of the Liquor Control Act; against the dismissal of highly trained officials; in favour of a more equitable distribution of unemployment relief; in favour of the reduction of taxes on home owners and the construction of homes for small wage-earners.

At the great banquet at the Royal York which followed his elevation to the leadership Mr. Rowe declared that the Hepburn Administration had lost the confidence of the people. He declared that the Conservatives were ready for an Election any time that the Government might bring it on. The selection of Mr. Leopold Macaulay to lead the Opposition in the Legislature, and the appointment of Lieut.-Col. Drew to act as Chairman of the Conservative campaign was afterwards announced. During the Summer months Mr. Rowe addressed meetings in various parts of Ontario criticizing the record of the Liberal Government. When the constituency of East Hastings was vacated through the death of Mr. James F. Hill, the sitting Member, Mr. Hepburn offered not to contest the By-Election against Mr. Rowe if he were the Conservative candidate. The suggestion did not commend itself to Mr. Rowe who expressed a preference to entering the Legislature by way of his home constituency, Dufferin-Simcoe.

The 1935 Session of the Legislature

The Opening of the First Session of the Nineteenth Legislature of Ontario took place on Feb. 20—the first Session since the advent of the Hepburn Administration. The announcement, several weeks before, that the usual State Dinner of the Lieutenant-Governor on the opening day would not take place, had aroused a good deal of Press comment. Owing to the refusal of the Prime Minister, the Hon. Mitchell F. Hepburn, to accept the invitation of His Honour, the Lieutenant-Governor had issued notices of cancellation on Feb. 2 to those to whom invitations had been previously sent. The notice read: "His Honour the Lieutenant-Governor regrets that, the Prime Minister of Ontario and his Cabinet having declined the invitation to be present at the State Dinner on Feb. 20, this function will not be held. His Honour trusts that you have not been inconvenienced." The Prime Minister, in announcing on Jan. 31 that he was declining the Lieutenant-Governor's invitation, stated that it would not be "consistent" with his expressed policy to accept it. Mr. Hepburn, as part of his platform in the 1934 Provincial General Election, had advocated the cutting down of administrative costs. He had deplored, particularly, the "unnecessary" expense to the people of Ontario in maintaining a Lieutenant-Governor's residence and he had declared that, if elected, he would not vote the annual grant for the upkeep of "Chorley Park," the residence of the Lieutenant-Governor.

At the opening of the Legislature on the afternoon of Feb. 20, the usual ceremonies took place. On Motion of the Prime Minister, seconded by Mr. Nixon (Lib., Brant), Mr. N. O. Hipel (Lib., Waterloo S.) was elected Speaker. Shortly after the Provincial General Election, three vacancies in the House had been created by the resignations of Mr. D. J. Taylor, Liberal Member for Grey North, and of Mr. Earl Hutchinson, Labour Member for Kenora and by the death of Mr. D. Paul Munro, Liberal Member for Wellington South. In the By-Elections in August, 1934, these vacancies had been filled by the election of the Hon. Peter Heenan (Lib.) in Kenora, Mr. Roland Patterson (Lib.) in Grey North and Dr. James H. King (Lib.) in Wellington South. (*The Canadian Annual Review,* 1934, page 180). As a result of a By-Election of 1935 (Mar. 12), Mr. J. Henri Marceau (Lib.) was elected to represent Nipissing in the place of Theodore Legault (Lib.), deceased. These changes in the membership of the House did not alter its political complexion.

In the Speech from the Throne, the Lieutenant-Governor, Colonel, the Honourable Herbert Alexander Bruce, made general reference to a subject which had caused considerable controversy both before and during the General Election. "An extensive survey" he said "of the system of taxation for the support of both Primary and Secondary Schools is being made by the Department of Education with a view to such revision of the method of local taxation and system of Provincial grants as will make possible a more satisfactory and equitable distribution of the cost of education throughout the Province. Methods for the improvement of the instruction provided in the schools are also being studied." The Speech also referred to the measures taken to deal with unemployment. A new Department of Municipal Affairs had been created. A measure would be introduced to prevent the unwise issue of debentures by municipalities. Interest on loans by the Agricultural Development Board had been reduced from five to four per cent. Proposals would be made to improve dairy products. The progress of the mineral industry had been most gratifying. A measure would be introduced to give binding effect

to voluntary collective agreements to enforce The Factory Act and The Minimum Wage Law for women and children. Legislation would extend the Mothers' Allowance to destitute widows with one child. The Ministers viewed with alarm the increasing cost of purchased but unused power for the Hydro-Electric Power Commission. The Province would assume the entire cost of the King's Highways. Development of a satisfactory type of local health administration was occupying the attention of the Department. Careful attention had been given to the great lumbering industry. The obligations of certain companies to the Crown were being scrutinized. Legislation would be introduced to change the fiscal year to end on Mar. 31 (to conform with the Dominion period). Additional legislation would be submitted to amend The Public Service Act; to amend The Provincial Loans Act; for the better care of the mentally afflicted; to amend The Public Hospitals Act; to amend The Companies Act; to amend The Game and Fisheries Act and for various other purposes.

The Address-in-Reply to the Speech from the Throne was moved by Mr. W. L. Houck (Lib., Niagara Falls) and seconded by Mr. E. A. Lapierre (Lib., Sudbury). The Opposition Leader, Mr. George S. Henry, moved in amendment, seconded by Mr. W. H. Price (Cons.) that the following should be added: "But this House regrets that your advisers through the Liquor Control Board have failed to maintain the control of the distribution of liquors which has been such a marked feature during recent years." Mr. Henry attacked at length the Government's handling of the Liquor Control Act and the "wholesale dismissals" of employees. The Prime Minister (the Hon. Mitchell F. Hepburn) claimed that no other Government had ever squandered money as had the previous Administration (Conservative). As a result of changes made by the Liberal Government net earnings on the T. and N.O. Railway had made a sharp gain; marked savings had been made in the operation of the Niagara Parks Commission; air services had been reduced by about $34,000; and "Hydro" operating costs had been reduced by $600,000 and the carrying charges by $400,000, or a total "Hydro" saving of about one million dollars. He said that the former Government (Conservative) had floated bonds to the extent of about $65,000,000 at a cost of $128,000. The Liberal Administration (Hepburn) had floated issues amounting to $67,500,000 at no cost to the Province. He listed savings in Government Department salaries of $1,557,000 a year and reduction in personnel of 1,149 employees. He said that there would be no referendum on the sale of beer and wine in Ontario. He admitted that there had been some abuses but claimed that these had been corrected.

The Hon. A. W. Roebuck (Attorney-General), who had recently become a member of the Hydro-Electric Power Commission of Ontario, spoke at length on the contracts for power which the Commission had made with four Quebec power companies. These were the Gatineau Power Company; the Beauharnois Light, Heat and Power Company; the Chats Falls Power Company (later Ottawa Valley Power Company) and the James Maclaren Power Company. He claimed that the power acquired and to be acquired under these contracts was far in excess of requirements and declared that unless it could be reasonably expected that the consumption of electric energy in the Niagara system would double in the next few years the people of the great central portion of the Province might look forward to excessively high rates together with heavy financial losses for many years provided that the House was content to allow that condition to prevail. Concluding his address, which had occupied the greater part of four sittings of the House, Mr.

Roebuck declared that the power contracts were strangleholds on the people whom the Members were sworn to represent; that they would cramp the development of the Province and that they might ruin its commercial structure. He submitted that they were illegal and unenforceable. The first division took place unexpectedly at the conclusion of the Attorney-General's address. Mr. Price (Cons.) rose to reply. But Mr. Roebuck rose again to ask the Speaker's permission to adjourn the Debate. Mr. Price protested that he was entitled to continue until the six o'clock adjournment. The Speaker accepted Mr. Roebuck's Motion to adjourn the Debate and Mr. Price appealed. The Speaker's ruling was sustained by 34 Liberals against 14 Conservatives.

The Debate was continued by Mr. Price, the Hon. Duncan Marshall (Minister of Agriculture) and Messrs. Wilfrid Heighington (Cons., St. David's) and J. H. Clark (Lib., Windsor-Sandwich). Mr. Clark moved, seconded by Mr. H. N. Carr (Lib., Northumberland), in Amendment to the Amendment, that the House "has confidence in the present Government and the Hydro-Electric Power Commission to solve satisfactorily the many serious problems created by the maladministration of Your Honour's previous advisers." The Debate was concluded on Mar. 28, after the following Members had spoken: Mr. George H. Challies (Cons., Dundas), the Hon. T. B. McQuesten (Minister of Public Works and Highways), and Messrs. Arthur Ellis (Ottawa S.), A. H. Acres (Carleton), William Newman (Victoria), A. D. Roberts (Sault Ste. Marie), T. A. Kidd (Kingston), F. R. Oliver (Grey South), W. G. Nixon (Temiskaming), W. A. Baird (High Park), F. H. Avery (Lincoln), M. M. McBride (Brantford), P. M. Dewan (Oxford), D. M. Campbell (Kent East) and A. Belanger (Prescott). The Opposition Leader (Mr. Henry), concluding the Debate, dwelt at length on the Report of the Latchford-Smith Commission. He admitted his ownership of $25,000 bonds of the Ontario Power Service Corporation. The Commissioners had declared that as he was himself the owner of O.P.S. bonds he should not have taken part in the negotiations whereby the Hydro-Electric Power Commission acquired the bonds of that Corporation and that his judgment was liable to be biased by reason of his holdings. "That imputation" he declared "is false". He claimed that the findings of the Commission of Inquiry were of no value and added: "Unhesitatingly I charge the Government with sinister and political purposes and not with the idea of acquiring any knowledge or information which was not readily available to them. I say that the appointment of a Commission by a Government with political ends to serve, with no other purpose but to besmirch the names of its political opponents, is a scandalous thing." He gave warning that cancellation or repudiation of "Hydro's" Quebec contracts would threaten the honour and integrity of the Province. He branded as sheer nonsense the contention of Mr. Roebuck that the power contracts were invalid. The Hon. Harry Nixon, for the Government, in a short address, indicated that before long the House would have to consider a Resolution with regard to the power contracts. The Amendment to the Amendment, which was really a Motion of confidence in the Government, was adopted on a vote of 63 to 18. Mr. Sam Lawrence (C.C.F., Hamilton East) voted with the Opposition. On the last day of the Debate, in the course of a discussion on a matter of privilege Mr. Henry appealed to the Speaker against the word "brazen" applied to him by the Prime Minister. In reply to a question by the Speaker, Mr. Henry said the words he objected to were: "For a man who is as brazen as that, what can you do?" The Speaker ruled that the word "brazen" as used was unparliamentary. The Prime

Minister claimed that the circumstances of the particular matter under discussion justified the use of the word and appealed to the House against the Speaker's ruling which appeal was sustained on a division of 17 to 63. Mr. Sam Lawrence (C.C.F., Hamilton E.) voted with the Opposition.

The Budget Address, 1935

The Hon. Mitchell F. Hepburn, Prime Minister and Treasurer of Ontario, delivered his first Budget Address on Apr. 2. He pointed out that the Public Accounts for the fiscal year ended Oct. 31, 1934, showed Ordinary Expenditure as $80,677,091; and Ordinary Revenue as $50,067,841; resulting in a Deficit for the year of $30,599,249. That, he said, was the Deficit on Ordinary Account for the last fiscal year, 1933-34. A comparative statement showing Budget items and actual items for the fiscal year ended Oct. 31, 1934, was printed in the volume containing the Budget Address. Mr. Hepburn said that the former Provincial Treasurer in his forecast for the fiscal year ended Oct. 31, 1934, gave Ordinary Revenue as $51,079,100 and Ordinary Expenditure as $50,067,841 thus forecasting a Surplus of $215,000. But, Mr. Hepburn pointed out, the Revenue had been over-estimated by $1,011,258.

Turning to the Statement of Assets and Liabilities in the Public Accounts he observed that the Total Direct Liabilities of the Province were $655,760,853 in addition to guarantees to the amount of $97,782,015, making a total of, roughly, $763,500,000 in indebtedness. The Net *per capita* Debt of the Province was, Mr. Hepburn stated, at Oct. 31, 1934, $100.53. The estimated Net Public Debt Charges for the fiscal year, Apr. 1, 1935 to Mar. 31, 1936, he gave as $22,300,055.

Mr. Hepburn then presented an Interim Statement for the five months ended Mar. 31, 1935, showing Revenue as $26,800,794; Expenditure as $34,250,028; and the Deficit as $7,449,233.

Turning to the new fiscal year 1935-36 which began on Apr. 1, 1935, and would end on Mar. 31, 1936, he forecast Ordinary Revenue as $59,785,526; Ordinary Expenditure (not including unemployment direct relief) as $59,391,873; and a Surplus of $393,653. To this he added, however, an estimated net expenditure on account of unemployment direct relief of $15,000,000, thus forecasting a Deficit of $14,606,346.

Dealing with financial conditions in general, Mr. Hepburn pointed out that the bulk of the moneys available for investment in mortgages in the Province was under the control of institutions, particularly the loan, trust and life insurance companies. As at Dec. 31, 1934, these companies held Ontario mortgages as follows:

Life Insurance Companies	$141,746,780.08
Trust Companies	97,537,335.80
Loan Companies	73,157,066.31
	$312,441,182.19

Continuing Mr. Hepburn said "Data compiled . . . in the Provincial Insurance Department show that during the calendar year 1934, in respect of the more than $300,000,000 worth of Ontario mortgages above listed, they received in cash only 20.63 per cent. of the principal and 82.91 per cent. of the interest due them. . . . The questions, then, naturally present themselves: 'Why the present stagnation in the mortgage market?' 'Why are these great institutions not making new mortgage loans more freely?' The answers lie in a more general understanding of the nature

of these companies and the source of their funds. They are not 'capitalists' in the ordinary concept of that term; they are rather 'trustees' to the extent of more than 90 per cent. of the funds in their possession for their policy-holders, depositors, debenture and guaranteed investment certificate holders."

Referring to the new Department of Municipal Affairs Mr. Hepburn stated that from the beginning of the year it had been supervising the affairs of defaulting municipalities on a basis of co-operative effort with the Councils and local Boards to bring about formulation of schemes of debt refunding. On Dec. 31, 1934, he said, there were 33 defaulting municipalities with unmatured principal of $71,903,498; overdue principal, $11,418,041; overdue interest, $3,972,350; and total outstanding principal and interest, $88,213,889.

Coming to the Hydro-Electric Power Commission, Mr. Hepburn said that the total investment of the Province on account of power supply in the North would approximate $30,000,000, and that the operating deficits had cost the Province almost $1,000 a day. But he added that the picture was brightening. The Eastern Ontario, Georgian Bay and Thunder Bay districts had been operated profitably during the past year. He declared that the finances of the Niagara system remained a source of anxiety to the Commission and to the Government. "The revenue," he said "has increased less than $1,000,000 (between 1929 and 1934) while the item of purchased power alone, included in the cost of operation, has increased by over $5,000,000 with additional payments for increased purchased power to be added up to 1937 when the balance now contracted for has been delivered. These figures standing alone must constitute a very serious menace to the provision of cheap power for domestic and industrial purposes throughout the Niagara district. Unless the power contracts are set aside and more equitable arrangements made with the contractors on behalf of the people of the Niagara district, there must still be added during the next two years a further 206,000 horse power to the contract obligations of the Niagara district, involving a further annual payment of $3,090,000. Let me emphasize the seriousness of the situation. In addition to the cost of this unsalable power, to use it we would have to construct a transmission line at a cost estimated at between $20,000,000 and $25,000,000."

Mr. Hepburn claimed that the situation with respect to relief was most perplexing and would remain so until the settled policies of the Dominion Government were known. They were putting the sum of $15,000,000 into the Estimates for direct relief. Were it not for relief expenditures they could balance the Budget. He intended, he said, after the Dominion General Elections, to ask for a conference with the new Government of Canada in order to ascertain the exact amount of relief responsibility that the Dominion Government would be prepared to assume. With that in mind he proposed to call a Special Session of the Assembly and to introduce legislation to impose such new taxation as would produce the amount of revenue required to balance the Budget.

Having referred to the operations of the different Departments Mr. Hepburn came to "Ways and Means". The Corporation Tax yielded $6,371,276 for the fiscal year ended Oct. 31, 1934. He estimated that it would yield $7,600,000 for the fiscal year ending on Mar. 31, 1936. Legislation would be brought down to amend the Corporations Tax Act in several important respects. There would be an exhaustive definition of Net Revenue for the first time. There would be no increase in the rate of

taxation on Net Revenue, namely, one per cent. The definition of Paid-up Capital would be amended to include bond and debenture indebtedness. Another Amendment would require that in future the returns of incorporated companies must be accompanied by payment of the estimated tax. There would be a new penalty for false returns not to exceed $10,000. Under the Stock Transfer tax the revenue for the fiscal year ended Oct. 31, 1934, was $704,904. Mr. Hepburn estimated that the revenue for the fiscal year ending Mar. 31, 1936, would be $1,000,000. Syndicate Units would be mentioned in the taxing sub-section and the tax on such Units, Mineral Deeds and Oil Royalties, when transfer occurred, would be three cents for every one hundred dollars or fraction thereof. There would also be penalties for failure to pay.

Among the proposals for increasing the revenues Mr. Hepburn mentioned Amendments to the Succession Duty Act. An additional tax on estates would be imposed where the aggregate value exceeded $1,000,000. The base tax of one per cent. would be increased progressively by one per cent. on each million to a maximum of 14 per cent. The surtax applicable to all taxes collected under the Succession Duty Act, 1934, would be increased from 10 to 15 per cent. Property transfers to trustees or otherwise by way of marriage settlement, not subject to duty, would be deemed to be property passing on the death of a deceased person and subject to Succession duty.

Mr. Hepburn said that he was greatly concerned at the continued inroads into the field of Provincial taxation made by the Dominion Government. He referred particularly to the Income tax, the tax on gold (discontinued), the tax on the export of power and the tax on water used for power development. All of these were direct taxation specifically provided by The British North America Act as belonging to the Provinces. He was quite in accord with the principle of levying taxes on large incomes, recognizing the fact that ability to pay was the measuring stick. On the other hand, every time the Dominion of Canada reached out its hand and took income tax from the residents of Ontario it was taking that which properly belonged to the Province and to the municipalities and multiplied the difficulties of both. The failure of the Province to enter this field had encouraged these fresh exactions and the time had come when the ill-balanced incidence of taxation in municipalities had so contributed to unemployment that the Province could no longer disregard the plea of municipalities for consideration. In conclusion, Mr. Hepburn said emphatically that before the end of the fiscal year the Government, by added revenue from new taxes were determined to balance the Budget.

The Budget Debate, 1935

Mr. W. H. Price (Cons., Parkdale), in the Debate on the Budget, challenged the Government to produce immediately their proposals to balance the Budget instead of waiting for an Autumn Session. He also charged that the Government, in preparing the Budget, had juggled Revenue and Expenditure and even the fiscal year in order to prevent knowledge of the extent of taxation in prospect. The Debate, one of the shortest Budget debates in the history of the Legislature, was ended on Apr. 9. Mr. Leopold Macaulay (Cons., South York) moved in Amendment to the Motion to go into Supply, seconded by Mr. G. H. Challies (Grenville-Dundas), that all the words in the Motion after the word "That" be struck out and the following substituted: "This House condemns the Government for their failure to carry out their pre-Election pledges to reduce taxation and find work for the unemployed." This Amendment

of want of confidence was lost by 15 to 45. The main Motion was carried by 45 to 15.

Estimates, 1935-36

The following is a summary of the amounts to be voted and statutory for the fiscal year ending Mar. 31, 1936.

Departments	To be Voted	Statutory
Agriculture	$ 1,986,453.00	$ 8,000.00
Attorney-General	2,198,095.00	169,150.00
Education	8,903,634.00	1,461,638.43
Game and Fisheries	482,375.00	
Health	6,890,225.00	62,000.00
Highways	902,307.00	9,873,000.00
Hydro-Electric Power Commission	146,000.00	650,000.00
Insurance	68,750.00	
Labour	398,966.50	
Lands and Forests	2,167,362.61	8,000.00
Legislation	263,250.00	
Lieutenant-Governor	7,200.00	
Mines	264,875.00	8,000.00
Municipal Affairs	79,650.00	
Northern Development	3,708,450.00	10,000,000.00
Prime Minister	133,060.00	756,995.00
Provincial Auditor	109,000.00	6,500.00
Provincial Secretary	1,638,580.00	9,000.00
Provincial Treasurer	453,780.00	34,377,380.14
Public Welfare	16,332,045.00	8,000.00
Public Works	1,078,210.00	15,000.00
Miscellaneous	307,500.00	10,000.00
	$48,519,768.11	$57,422,663.57

Summary

To be Voted	$48,519,768.11
Statutory	57,422,663.57
Total	$105,942,431.68

Ten million dollars in a lump sum was in the estimated expenditures by the Department of Northern Development. Mr. Hepburn stated that this sum would be expended for construction on the Trans-Canada Highway if and when the Dominion Government agreed to collaborate on a 50-50 basis; otherwise the sum would not be used, as in the past, for the general northern development purposes. There was also a vote of $25,000 for the maintenance of Chorley Park, official residence of the Lieutenant-Governor, for the fiscal year ending March 31, 1936. This amount was considered over-sufficient to take care of maintenance until Oct. 31. After that date no more funds would be contributed by the Province.

The Opposition criticized at length the closing down of Ontario House in London, England, and of the Provincial building at the Canadian National Exhibition when the Estimates dealing with these matters were under consideration. In speaking of the former, Mr. Henry said that he had no quarrel with the Government for desiring to effect economies but economies could sometimes be made at too great a sacrifice. "It is a great mistake," he declared, "to hang up the shutters and say to the people of England, 'Ontario is closing shop'. For that is the way the people of England look at it. We have more than farm products to advertise. This is a wealthy province and I think we can well afford to keep Ontario before the eyes of the British people. I am of the opinion the Government should re-open Ontario House, even though you have to put a smaller staff there." Mr. Henry was even more emphatic in his censure of the Government for closing the Provincial building at the Canadian National Exhibition grounds. He declared that this building

was always the most popular but that the Government had made it an eyesore. Mr. Marshall, Minister of Agriculture, defended both actions on the ground of economy.

The Power Commission Act, 1935

The particularly contentious measure of the 1935 Session, The Power Commission Act, 1935, which declared as null and void certain contracts made with four Quebec power companies by the Ontario Hydro-Electric Power Commission with the approval of Conservative Governments, was introduced by the Prime Minister (Mr. Hepburn) on Apr. 1. The road for repudiation of the contracts in question had been paved by the Provincial Attorney-General (Mr. Roebuck) who, early in the year had given several radio broadcast addresses on the subject. He had claimed that the Hydro-Electric Power Commission had purchased huge amounts of electrical power for which there was no existing use, nor any probable use for many years; that, in the meantime, the Commission would be saddled with ruinous expense; and that the contracts were believed by the Government to be illegal, void and unenforceable.

The second reading of the Bill was moved on Apr. 8 by Mr. Hepburn accompanied by a fifteen-minute speech. Referring to the lengthy discussions which had already taken place on the question, the Prime Minister declared that the Government would not shift from their course; that Ontario's credit was not at stake; and that it would be strengthened by the Government's courageous stand. He spoke of precedents and claimed that Great Britain, when she found that she could not pay the War debt of the United States, had repudiated it in part; that in 1916 the Ontario Legislature had cancelled a Niagara Falls contract—the Electrical Development "monopoly" of the Niagara Falls power; that currently, under the Dominion's Farm Development Act, Provincial mortgages made with Provincial moneys had been broken down (*The Globe,* Toronto, Apr. 9, 1935). Mr. Hepburn added that the Government had found it impossible to negotiate with the power companies as they (the companies) were liable to the bondholders. During its progressive stages the Bill was vigorously denounced by the Opposition. The Prime Minister after moving the second reading, forced it to a vote after the longest continuous Debate in the history of the Ontario Legislature—over twenty-six hours without Recess. On Apr. 11, Mr. Hepburn moved the third reading. Mr. Henry moved in amendment, seconded by Mr. Macaulay, the "six months' hoist"; the Amendment was lost on a vote of 17 to 59. After further discussion the Bill received its third reading on a vote of 57 to 17 and was passed by the Legislature. The Bill received the Royal Assent on Apr. 18, 1935 and, as "An Act to declare the Law with respect to The Hydro-Electric Power Commission of Ontario and with respect to certain invalid contracts," became Chap. 53 of the 1935 Statutes. It came into force Dec. 6, 1935.

The preamble to the Act stated that the Ontario Hydro-Electric Power Commission had been created to supply such power or energy as the municipalities and the people of the Province might require; that it was never the intention of the Legislature of Ontario that the Commission should have authority to impose financial and other obligations, without consent, upon the municipal corporations, power-users and taxpayers of the Province; and that, in the year 1926 and subsequently the Commission and certain corporations had, without the consent of the municipalities, or the ratepayers, contrary to the rights of the municipalities under existing contracts with the Commission, and contrary to the Power Commission

Act, and without regard to the provisions of the British North America Act, purported "to obligate the said Commission by divers contracts to purchase over long periods of time large quantities of power generated without the Province of Ontario" regardless of whether or not the power was desired or could be used by the municipalities; "and whereas the said Commission has made payments of large sums of money under the said alleged contracts and has illegally charged the cost of the same against certain municipal corporations, and has thereby so increased the cost of power as to threaten industry within the Province and to cause unemployment." The provisions of the Act were as follows:

(1) The contracts, as set forth, were declared "to be and always to have been illegal, void and unenforceable as against the Hydro-Electric Power Commission of Ontario," such contracts being as follows: (a) between the Commission and Gatineau Power Company, five contracts dated May 19, 1926, and one contract dated July 27, 1926, as set out in Schedule A; (b) between the Commission and Gatineau Power Company, two contracts dated Dec. 28, 1927, as set out in Schedule B; (c) between the Commission and Beauharnois Light, Heat and Power Company, one contract dated Nov. 29, 1929, as set out in Schedule C; (d) between the Commission and Chats Falls Power Company, also known as Ottawa Valley Power Company, one contract dated Feb. 15, 1930, and one contract dated Feb. 24, 1931, known respectively as the "Power Contract" and the "Operating Contract," as set out in Schedule D; (e) between the Commission and James Maclaren Company Limited, one contract dated Dec. 20, 1930, and one contract dated Jan. 14, 1931, as set out in Schedule E.

"2. No action or other proceeding shall be brought, maintained or proceeded with against the said Commission founded upon any contract by this Act declared to be void and unenforceable, or arising out of the performance or non-performance of any of the terms of the said contracts.

"3. The said Commission may, from time to time, pay for such power as it deems advisable, and may, with the approval of the Lieutenant-Governor-in-Council, enter into contracts therefor, and may distribute the cost thereof and all proper charges incidental thereto as determined by it among such municipalities and in such proportions as it may deem equitable, and all distribution as to such costs and charges for power heretofore purchased are validated and confirmed.

"4. The powers by this Act conferred on the said Commission, shall be supplementary to the powers conferred on the said Commission by any other Statute."

Mr. Price (Cons.) in the Debate on the Budget, had demanded an investigation into an alleged "leak" of information which had enabled a number of brokerage houses to unload their Quebec power bonds before the official announcement by the Government of repudiation had been made. He claimed that brokerage firms in Toronto, Montreal and New York had acted on information and had sold the bonds before the Government had stated their policy to the House at 3.15 the previous day. On Apr. 16, the report of the investigation into the alleged "leak" by the Securities Commissioner was tabled in the House. The Commission found that there had been no information given out by the Government or anybody connected with the Government; that it was the opinion in financial circles that there was no leak and that the policy of the Government had been an extremely well-kept secret. The Report continued:

"There was, however, very substantial selling of these bonds as the result of the speeches made in the Legislature and the Attorney-General's

series of broadcasts. It was discovered that one of the banks had on the 29th and 30th of March and 1st of April sold $350,000 of these power bonds. A letter directed to the Commission explaining the transaction is typical of the reasons given for the sale of these bonds. It is as follows:

" 'Replying to your inquiry made by your Mr. S. M. Thomson regarding Beauharnois, Maclaren and Gatineau Power Bonds, we sold on our own account bonds of the latter $350,000 on Friday, Saturday and Monday last. We were prompted to do so by the utterances of the Attorney-General as read in the press and heard over the radio.' "

Meantime, the action of the Government in introducing the invalidating legislation had aroused a good deal of comment:

Mr. Jackson Dodds, Montreal, President of the Canadian Bankers' Association, issued the following statement: "The Canadian Bankers' Association, on learning of the proposed introduction into the Ontario Legislature of a Bill to cancel contracts entered into between the Hydro-Electric Power Commission of Ontario with four power-producing companies, considered it their public duty to advise the Ontario authorities that the banks viewed the situation with genuine alarm and emphasized the possible repercussions of such action upon all public and private credit in Canada. They intimated that arbitrary cancellation and the results which might follow the establishment of such a precedent would be so serious and far-reaching that the banks felt impelled to urge upon the Government with all the force and influence at their command to refrain from deciding upon such a course."

Referring to Mr. Hepburn's comparison of his repudiation of the Quebec contracts with Great Britain's delay in paying her war debt to the United States, *The Hamilton Spectator* (Hamilton, Ont.) said: "Britain did not repudiate her War debt, as every one is well aware; she was forced to discontinue payments after Germany stopped reparation payments—and this was the course laid down in the debt negotiations. So long as those payments were forthcoming, John Bull handed everything over to Uncle Sam without demur, hard up as he was and rich as his creditor was. If Mr. Hepburn wanted a just parallel for his conduct towards the power contracts, he should have turned, not to the Mother Country, but to the United States—to that disgraceful episode, the cynical repudiation of certain Southern State debts many years ago, which has ever since remained a blight upon the honour of that country. Concerning that vicious course, President Theodore Roosevelt himself once said it was "a painful and shameful page in our history." Is Ontario about to add a similarly disgraceful page to its own history?"

The most important newspapers in London, England, commented as follows: *The Times* was amazed that the contracts had been cancelled after being years in existence without challenge. It felt that if contracts made by one Government were to be cancelled by another the basis of all credit would be destroyed. *The London Daily Telegraph* declared that Mr. Hepburn's proposal was astounding, and that if it were adopted by the Legislature "a blow will be delivered against the standing of Canadian provincial bonds here. The Dominion Government can not take steps too quickly to prevent discredit being thrown on Canadian securities as a whole." *The Morning Post* commentator said it was "almost unthinkable" that the right to appeal should be refused, and declared it "extraordinary" that the Ontario Premier should have declined so far to give "anything like an adequate explanation." *The Financial Times* said that in some quarters it was suggested that the matter should be brought up in

Parliament and that J. H. Thomas, Dominions Secretary, should be urged to take it up with the Dominion authorities. It described the clause prohibiting the companies affected from appealing to the courts as "simply iniquitous."

The Gazette (Montreal, Apr. 2, 1935) said: "The measure, if it is enacted, will thus amount to complete repudiation of obligations. . . . It is as valid a fact to-day, as it always has been, that nothing so cements and holds together all parts of a society as faith, or credit, which can never be kept up unless men are under some force or necessity of honestly paying what they owe to one another."

The Globe (Toronto, Apr. 5, 1935) declared that "It is improbable Old Country investors are as alarmed as some cable dispatches indicate concerning the Quebec power bond situation. If they are, experiences over decades have gone for naught in contributing to the equilibrium for which British people are noted. There has been an era of loans unpaid and forgiven, of various kinds of debts defaulted under protest, and of suspended dividends in which the British money-lender has taken more than his share of bumps. As a lender he has had experience enough to make him doubtful of the integrity of most borrowers, and almost phlegmatic regarding so comparatively small an item as interest on these bonds. Not that two, three or four wrongs make a right, but that cause for excitement becomes a relative matter."

A Bill to amend The Power Commission Act (Chap. 54 of the Statutes), was introduced by the Hon. T. B. McQuesten. The Opposition raised strenuous objection to the Amendment. It was described by Mr. Macaulay as "nothing but the introduction of the spoils system by Statute." It provided for removal of the limitation on the term of office of the member of the municipal commission appointed by the Ontario Hydro-Electric Power Commission in cities having a population of 60,000 or over. Mr. Macaulay declared that the Bill had all the defects that a political Bill designed to wield the axe could possibly have. Mr. W. A. Baird (Cons., High Park) said that the Supreme Court had decided the issue and it was not fitting for the Government to act contrary to that decision. The Act gave the Ontario Hydro-Electric Power Commission authority to enter into contracts to supply Northern Ontario towns and municipalities with power at a flat rate. The Commission also obtained power to enter unorganized territory and provincial parks for the purpose of supplying power, constructing transmission lines, etc. without being first compelled to enter into agreements with the districts concerned. Power was also given to the Commission to move towards a policy of financing itself and, according to Mr. Roebuck, its borrowings in future would be on its own bonds guaranteed by the Province instead of on Provincial bonds guaranteed by the Commission. The Amendment also provided for the Commission to carry much of its own insurance. The Act received the Royal Assent on Apr. 18, 1935.

The Industrial Standards Act, 1935

On Mar. 22, Mr. Roebuck (Minister of Labour) introduced a Bill entitled "The Industrial Standards Act." He explained that the object of the measure was to impose on the employer, who heretofore had stood out from agreements between employers and employees, the standards arranged by any industry. He said that whatever agreements were made as to working conditions there was always in the background the skeleton of the man who was ready to offer indecent competition by sweatshop methods. The Debate on the Bill lasted several sittings of the

House. The Opposition held that the Bill was impotent. It received its second reading on Apr. 10 without division. The Act, which received the Royal Assent on Apr. 18, 1935, provided (1) that the Minister of Labour might, upon the petition of representatives of employees or employers in any industry, convene a conference of both in any one or more zones for the purpose of investigating the condition of labour and the practices prevailing in such industry and for negotiating standard or uniform rates of wages and hours and days of labour in each industry in said zone or zones; (2) for the appointment of Industrial Standards Officers whose duties should be to assist in carrying out the provisions of the Act under the direction of the Minister of Labour; and (3) that upon agreement being reached by a "proper and sufficient" representation of employers and employees in any industry for one or more zones, as to hours of labour and rates of wages, the Lieutenant-Governor-in-Council might declare such hours of labour and rates of wages to be in force and binding upon every employer in the area designated; that no employee might agree or consent to be employed for wages or remuneration less than that provided in the schedule nor work longer hours; that penalties for infractions should be: in the case of an employer, a fine of not less than $25 and not more than $100—and default of payment should be punishable by a term of imprisonment not to exceed three months; and in the case of an employee fines ranging from $1 to $10—or ten days' imprisonment.

Insurance Enactments, 1935

Amendments to the Insurance Act (Chapter 29) had to do with both life and automobile insurance. The Amendment respecting life insurance stipulated that sufficient information should be contained in each policy; provided for the payment of a policy not in excess of $2,000 to any person other than the stated beneficiary who was found to be equitably entitled to same by reason of having incurred expenses on behalf of the insured; required truthful and comprehensive disclosure or statement for, or in lieu of, medical examination; stipulated a thirty-day period of grace for payments of premiums; provided for reinstatement of contract after lapse; declared that portion of policy of deceased beneficiary should be divided amongst the surviving designated beneficiaries, if any, or revert to estate of insured. In addition, the Amendment provided for the different classes of beneficiaries. Section 174 of the Insurance Act as enacted by Section 2 of The (Automobile) Insurance Act, 1932, was amended by the same Act (Chapter 29). The Amendment gave power to the Superintendent to approve of appropriate conditions or to change statutory conditions where the automobile insurance was neither insurance under motor vehicle liability policy nor insurance against loss or damage to an automobile designated in the policy; gave power to the Superintendent to approve a form of motor vehicle liability policy permitting a limited or restricted use of the automobile; included prohibitions with regard to the use or driving of automobiles, and designated circumstances under which an insurer should be abrogated to all rights of recovery of the insured against any person, and might bring action in the name of the insurer to enforce such rights. It also provided for a division of the complete indemnity between the insurer and the insured. Coverage of owner's policy included the person named therein and any other who at his consent used the insured automobile. Another Amendment to the Insurance Act was embodied in Chapter 30 of the Statutes and cited as the Insurance Amendment Act, 1935(2). It dealt with (1) the determination

of classes of insurance by the Superintendent; (2) the non-granting of licences to extra-Provincial or foreign corporations; (3) the prohibition against public adjusters of motor accident claims; and (4) the denial of the right to extend preferential rates to a group of persons except where vehicles were owned by the same person.

Dismissal of War Veterans Inquiry, 1935

Protests lodged on behalf of war veterans dismissed by the Hepburn Government were investigated by a Special Committee in 1935. The Committee, appointed Jan. 15, 1935, consisted of Lieut.-Col. Fraser Hunter, M.P.P. representing the Government, and G. W. Mills, representing the Ontario Command of the Canadian Legion, B.E.S.L., who selected Richard Myers as Chairman. The Committee's Report was submitted to the Legislature Apr. 9, 1935, under the reservation by Mr. Hepburn that it was really a private document and contained numerous inaccuracies. According to the Committee, 442 war veterans were dismissed since the Hepburn Government took office, but no protests against dismissal were made by 242 of the men. The figures given included cases of day labour, employed by the Departments of Northern Development, Highways, and Lands and Forests, but not men employed by the day on relief works. The dismissals included 252 permanent employees of whom 134 had protested their dismissal. There were also dismissed 13 temporary employees in the inside service and 117 doing casual and seasonal labour outside Toronto. Analyzing reasons for dismissals the Committee reported that: reductions in staffs and reorganizations occasioned 37 dismissals; abolition of offices, 40; inefficiency, misconduct and voluntary resignations, 21; patronage, 57; temporary lay-off, 14; unclassified, 16. There had been 9 re-instatements after protests. While the Departments had attributed 15 dismissals to partisanship, the Committee reported that in no case had the charge been proven. The Committee recommended a judicial Inquiry into the charges of partisanship, and re-instatement wherever the charge was not sustained.

Prorogation: Legislation and Incidents of the 1935 Session

The First Session of the Nineteenth Legislature of Ontario was prorogued on Apr. 18, 1935. In all, 75 Public and 25 Private Bills passed by the Legislature during the Sessions received the Royal Assent. The more important of these were reviewed by the Lieutenant-Governor in the Speech from the Throne: It stated that "at the opening of the Session I expressed the concern which my Ministers felt at the increasing cost of purchased but unused hydro-electric power. Since that time the Legislature has declared that the contracts entered into for the purchase of this power are illegal and unenforceable. The seal of legislative finality having been given to this fact, a great load of unusable power, costing millions of dollars annually, has been removed from the Hydro-Electric Power Commission and the way has been left open for the purchase of such supplies as may be needed to meet existing requirements." It was believed that industrial conditions throughout the Province would be beneficially affected by the passing of The Industrial Standards Act. Gratification was expressed at the 15 per cent. increase in the revenue of the Temiskaming and Northern Ontario Railway. The Speech announced that the Government of Ontario would join with that of the Dominion of Canada and those of the other Provinces in fittingly commemorating the Twenty-fifth Anniversary of the accession of His Majesty King George the

Fifth to the Throne of Great Britain; and mention was made of the provision in the Estimates for a contribution to the Jubilee Cancer Fund. Extension of the statutory provisions of The Mothers' Allowances Act, to include allowances to mothers with one child would bring relief, to many within this category. "It is noted in this connection that in view of various social measures still before the Dominion Parliament, which will need consideration provincially, it has been decided to call a special Autumn Session of this Legislature to deal with these problems, and also for the purpose of providing additional Provincial revenue." Due to the change in the date of closing of the fiscal year, the Members had before them the Estimates for the year immediately in prospect.

"In order that the Government may take advantage of favourable market conditions, statutory provision has been made for the payment or refunding from time to time of loans made and securities issued by the Province, and of bonds, debentures, and securities guaranteed by the Province." More employment would be provided through the efforts made to encourage lumber and pulpwood operations. The possibility of securing uniformity in the statutory law of the various Provinces, where uniformity was desirable, was demonstrated by the passing of important insurance legislation. The Liquor Control Act was amended to tighten the regulations in respect to minors on licenced premises and to simplify questions to be voted on in local option areas. The provisions of The Mortgagors' and Purchasers' Relief Act were extended for another year. A satisfactory settlement was made of outstanding accounts for construction work at the Abitibi Canyon. Checking of cars unsafe for the highways and the enforcement of other measures should result in greater safety on the highways. Assumption by the Province of the entire cost of Provincial highway financing should bring relief to the various municipalities. Amendments to The Public Service Act enlarged the category of those to whom retiring allowances might be granted. Changes in The Corporations Tax Act, Stock Transfer Tax and The Succession Duty Act would add revenue to the Province. The new Department of Municipal Affairs would result in a healthier condition of municipal finance.

An Act changing the fiscal year of Ontario from the period, Nov. 1 to Oct. 31 to Apr. 1 to Mar. 31, in conformity with the fiscal year of the Dominion received the Royal Assent on Apr. 18. In Debate the Bill was vigorously denounced by Opposition Members. They claimed that if the Bill were enacted the Legislature would not have an opportunity of examining Receipts and Expenditures for the whole of 1935 in detailed Public Accounts form until the Session of 1937; that in the event of Prorogation taking place before Mar. 31, moneys would have to be voted in haste. Mr. Hepburn explained that under the existing system Parliament was asked to vote 18 months' Supply ahead of time and, obviously, it was impossible to estimate Expenditures for such a period. He expected that by 1937 the new System would be working properly. The Bill was given its second reading but when it was reported from Committee on Apr. 1, Mr. Henry (Opposition Leader) moved, seconded by Mr. Price, in amendment, that the Bill should be referred back for further consideration. This Amendment was lost on a vote of 14 to 51 and the Bill proceeded on its course.

By The Provincial Loans Amendment Act, 1935, the Lieutenant-Governor-in-Council was authorized to raise loans for refunding purposes. Mr. Hepburn explained that there was no statutory authority for such

operations. This was in addition to the routine proceeding under The Ontario Loan Act, 1935, authorizing the Lieutenant-Governor-in-Council to raise from time to time by way of loan sums for the Public Service not to exceed in the aggregate $60,000,000 for terms not to exceed 40 years. An Appropriation Act, being Chap. 68 of the Statutes of 1935, granted $436,867 for the Public Service for the five months ended Mar. 31, 1935 and $48,519,768 for the financial year ending Mar. 31, 1936.

The City of Windsor (Amalgamation) Act, 1935, created a great new city of 100,000 population at the Detroit River gateway to Canada. It merged Windsor, East Windsor, Walkerville and Sandwich with an area of about 8,250 acres spread along the river front as well as the islands on the Canadian side of the international line. July 1 was set as the date of the union. A Commission was to submit a plan for refunding the obligations of the four municipalities upon the general basis that the debt of each should be discharged by the imposition of rates upon the rateable property in that area of the new city which formerly comprised such municipality.

The 1935 Act to amend The Controverted Elections Act stipulated that, with every petition should be an affidavit verifying the good faith of the deponent and his actual knowledge of the allegations contained in the petition; and provided for dismissal of petition after cross-examination if court or judge were dissatisfied; provided for an application to change the petitioner when there was a delay in fixing the day of trial and for dismissal of petition unless the application were made within the stipulated time. The Act came into force Apr. 18, the day it received the Royal Assent. It was to have effect from Jan. 1, 1934.

Amendments to the Act respecting Hospitals and Schools, cited as The Mental Hospitals Act, 1935, take up 35 pages of Chapter 39 of the Statutes for 1935. The Bill, introduced by the Hon. Dr. J. A. Faulkner, Minister of Health, was endorsed by Opposition as well as Government Members. The most pronounced change was the substitution of the words, "mentally ill," for the word, "insane."

The Highway Improvement Amendment Act, 1935, permitted the Province to assume the entire cost of the King's Highway and made other provisions with regard to Provincial highway improvement. It also added two sections to regulate the placing of gasoline pumps on the King's Highway or any highway to which the Ontario Government gave aid and to license gasoline pumps within 25 feet of such highways. The Highway Traffic Act was amended in numerous particulars.

The Agricultural Development Act was amended in 1935 to reduce the maximum loan from $12,000 to $7,500 and increase the maximum period for retirement from 20 to 30 years. The Board was also given wider powers for the terms of repayment and consolidation of indebtedness. The Co-operative Marketing Loan Act was amended to increase the maximum amount available to Co-operative Cold Storage Associations from $30,000 to $50,000. The Milk Control Act was further strengthened in 1935 by provision for the licencing of persons engaged in the milk industry. The Game and Fisheries Act was amended in 1935 in numerous respects following a lengthy printed report of the Standing Committee on the subject. The Ontario Municipal Board Act of 1932 was amended to provide that a municipality should not proceed with works or projects for which an issue of debentures was proposed until the consent of the Board had first been obtained. The Wages Act was amended in 1935 to provide that a portion of a debtor's wages not exceeding the sum of $2.50

for each working day represented by the wages seized or attached should in all cases be exempt from seizure or attachment.

Efforts to exploit the Dionne Quintuplets for commercial and show purposes elicited from Mr. Hepburn (Prime Minister) the statement, Feb. 9, 1935, that the Ontario Government would do all in its power to prevent the children from getting into the hands of self-seeking promoters. Accordingly an Act was passed by the Ontario Legislature (25 George V, Chapter 19) declaring the Quintuplets to be wards of His Majesty the King as represented by the Minister of Public Welfare of Ontario. The Minister was named as special guardian, the father of the quintuplets as the natural guardian, and the Lieutenant-Governor-in-Council was authorized to appoint the active guardians. Under the provisions of the Act any contract entered into with respect to the children, without the consent of the guardians, would be null and void and all their funds and property were vested in the Minister until they reached eighteen years of age. The children were to be instructed in the faith of their father. In 1936, Mr. and Mrs. Dionne petitioned His Majesty the King to have the quintuplets restored to their care and custody, and the petition, after passing through the official channels, was referred to the Ontario Government, which however, continued to act for the children. It was estimated by Mr. Croll that the financial arrangements made for the quintuplets would yield them $880,000 by the end of 1938.

On the second day of the 1935 Session the former Speaker, Mr. T. A. Kidd (Cons., Kingston) had risen on a question of privilege. "Mr. Speaker," he said, "the Speech from the Throne yesterday contained no mention of the Silver Jubilee of His Majesty's accession to the Throne. I therefore move adjournment of the House for the purpose of considering a Motion which I now present." The Motion called upon the Legislature to forward through the Lieutenant-Governor a message of loyalty and devotion to the King. The Prime Minister explained that the Government had conferred with His Honour, the Lieutenant-Governor on the matter. "We were informed that the Governor-General of Canada desired to initiate proceedings and wished for no premature action concerning it." The Motion was thereupon withdrawn. Later, during the Session, on Motion of the Prime Minister, seconded by the Leader of the Opposition, and unanimously carried, it was resolved that an Humble Address be presented to His Most Gracious Majesty King George V expressing the heartfelt congratulations of the Legislative Assembly of Ontario on the occasion of the attainment and approaching completion of the twenty-fifth year of His Majesty's reign.

Another 1935 Motion of the Prime Minister's, seconded by Mr. Nixon (Lib., Brant) and unanimously carried was that the Legislative Assembly of the Province of Ontario having seen with great pleasure at the opening of the First Session of the Nineteenth Legislature, the use of the ancient Mace of the Parliament of Upper Canada, which had been restored to the Dominion of Canada on the 4th day of July should extend to the President and Government of the United States its grateful appreciation of their gracious action in returning the historic Mace, which had been used at the meetings of the Parliament of Upper Canada from the establishment of the Province until it was taken away by the forces of the United States of America on Apr. 27, 1813.

In answer to Opposition inquiries the Government tabled at the 1935 Session the information that there had been an increase of over $42,000,000 in the Provincial Debt between July 1, 1934, and Feb. 1, 1935.

The 1936 Session of the Legislature

A note of mourning and of sincere attachment to the Throne and person of the Sovereign distinguished the opening proceedings of the Second Session of the Nineteenth Legislature of Ontario. The Assembly had been called to meet for the dispatch of business on Jan. 21, but owing to the death of His Gracious Majesty King George V, the opening had been postponed until Feb. 11. The draping of the Speaker's Throne in purple and black, the wearing of mourning badges by the officers in attendance, and many of the Members, alike bespoke the special nature of the occasion. The Lieutenant-Governor, Colonel the Honourable Herbert Alexander Bruce, was accompanied by the usual military escort and given the official salute of twenty-one guns. In the temporary absence of the Prime Minister, the Hon. Mitchell F. Hepburn, attending a judicial Inquiry, (See the Gunning Case) the leadership of the House was carried on by the Provincial Secretary, the Hon. Harry C. Nixon. Visitors were not admitted to the Floor of the House, as on former occasions, hence the Members occupied the seats allotted to them and were able to proceed with business immediately after the opening ceremonies. Among the ninety elected representatives comprising the Assembly, 70 were designated as Liberals supporting the Administration, 17 as Conservatives constituting His Majesty's Loyal Opposition, and 3 as Independants, one of whom was affiliated with the Co-operative Commonwealth Federation (C.C.F.) and another with the United Farmers of Ontario (U.F.O.).

At the outset of the Speech from the Throne, the Lieutenant-Governor referred to the lamented death of "our gracious and well-beloved Sovereign" King George V, expressed the profound sorrow of the people for the Royal Family in their bereavement, and tendered loyal devotion and affection to His Gracious Majesty, King Edward VIII. Attention was drawn to the signs of commercial improvement which inspired renewed confidence. A tribute was paid to the retiring Governor-General, His Excellency the Earl of Bessborough, and to his gracious Countess while a cordial welcome was extended to his successor, Lord Tweedsmuir, and to Lady Tweedsmuir. It was intimated that in consequence of the fact that additional revenue must be secured to meet the greatly increased burden of unemployment relief, and to balance the Budget, it had been decided to provide a Provincial tax on the income of individuals, such tax to replace the municipal levy. The Ministers had been bending every effort towards a reduction in the cost of Government and administration wherever such reduction could be effected without injury to the efficiency of the service. The Funded Debt had increased to such proportions as to become an almost intolerable burden upon the taxpayers. The Speech declared that "there is no intention of embarking upon any scheme of forced conversion," and that a re-arrangement of the Public Debt could not be made successfully by one Province alone, but would of necessity have to be part of a national refunding scheme. The Government was determined to honour all outstanding debentures both as to principal and interest, in the exact terms of the contract, and would spare no pains to maintain the credit of the Province. Additional legislation was foreshadowed respecting the contracts between the Hydro-Electric Power Commission of Ontario and certain power companies in the Province of Quebec in consequence of the failure to reach a reasonable basis for amended contracts. Announcement was made that legislation would be introduced to provide a more equitable distribution of the taxes levied for educational purposes, to improve the organization of rural schools and respecting the municipal

taxation of the income of corporations. Satisfaction was expressed with the extension of the rural transmission lines of the Hydro-Electric Power Commission, the increased efficiency in the administration of the Succession Duties Act, the progress of Ontario's great mining industry, the development of the forest wealth of the Province and the progress of other Provincial undertakings.

Upon the retirement of the Lieutenant-Governor, with his escort, the Speaker, the Hon. Norman O. Hipel, assumed the Chair and opened the day's sitting of the Assembly with Prayers. At this stage the acting leader of the Government announced a departure from an ancient practice, which required the House to assert its right to proceed with its business, if necessary, before dealing with the Speech from the Throne, by the introduction of a *pro forma* Bill generally entitled an Act respecting the Administration of oaths of office to Justices of the Peace which never became law. Owing to the exceptional circumstances under which the House met, it was proposed to deal with two important subjects forthwith and hence the traditional safeguard was not deemed necessary. While this innovation excited some unfavourable comment, it was not formally opposed. Mr. H. C. Nixon then moved, seconded by Mr. George S. Henry, Leader of the Opposition, the adoption of an humble Address to the Sovereign "expressing the sincere sympathy of this House on the death of His Late Gracious Majesty, King George the Fifth, and also conveying to His Majesty the congratulations of the House on his accession to the Throne of His Ancestors." Sincere condolences were extended also to Her Majesty, Queen Mary, and the devotion and loyalty of the people of Ontario were conveyed to His Majesty King Edward VIII. Members on both sides of the House vied with each other in supporting the Address which was adopted unanimously, the Members constituting an impressive spectacle by standing in silence for two minutes to mark the occasion.

A Question of Procedure

The party truce by which the Address to the Crown was acclaimed came to an end when the Hon. Paul Leduc, Minister of Mines, introduced a Bill to substitute a Provincial Income tax for the prevailing Municipal Income tax. Mr. Henry maintained that the introduction of the Bill at that stage required the full consent of the House. Surprise was expressed by Mr. Nixon at this objection as he claimed that Mr. Henry had written him consenting to the introduction of the measure on opening day. To this Mr. Henry replied that since he had given his consent circumstances had changed through the death of the King, but that he did not object to the introduction of the measure at that time provided ample opportunity were given to discuss its provisions. Two points of order were raised by Mr. Wilfrid Heighington (Cons., St. Davids) against the proposed procedure. One was that two days' notice was required under the rules and the other that the introduction should be preceded by a Resolution recommended by the Lieutenant-Governor. These objections were overruled by the Speaker, who declared (Feb. 19) that there were abundant precedents for introducing legislation on the opening day, that in 1910, as pointed out by Mr. Nixon, more than thirty Bills had been initiated on the first day of the Session, that the practice of introducing a Bill on opening day, without previous notice, had prevailed during the entire life of the Legislature. As to the contention that a money Bill required the previous consent of the Lieutenant-Governor the Speaker pointed out that during a period of thirty years out of 254 money Bills introduced only 12 were preceded by the supporting Resolution. The

practice of the House on passing a money resolution was to refer it by number to the Bill which carried its principle, and this could not be done unless the Bill had been previously introduced. He therefore ruled that the Bill was quite in order. During the discussion the House was informed that the necessary Resolution, approved by the Lieutenant-Governor, was already in the hands of the Clerk at the time the Bill was introduced.

The Address-in-Reply to the Speech

The Address-in-Reply to the Speech from the Throne was moved (Feb. 13) by Mr. A. St. Clair Gordon (Lib., West Kent) and seconded by Mr. J. H. Marceau (Lib., Nipissing). A lively Debate ensued, in which charges and counter charges were hurled across the House by the Leaders on both sides. In his remarks Mr. Gordon stressed the importance of road improvement, claiming that increased motor traffic had brought the disintegration of existing road surfaces to the point where reconstruction would be required at the earliest possible date. The seconder of the Motion, Mr. Marceau, made special reference to the announced separate school legislation pointing out that "The Confederation Act provided for separate schools for religious minorities of like character and maintained in like manner as the general public schools, all alike being public schools maintained in the public interest and for public welfare (*The Globe,* Feb. 14). This understanding, he added, was the result of negotiations carried on for many years prior to Confederation, and it seemed safe to assume that in the absence of a satisfactory agreement in this matter, Confederation would not have been possible. He favoured the settlement of experienced farmers in the north country, but deprecated the discarded policy of subsidizing families from urban sections, without adequate bush experience, to locate there.

In discussing the Address, Mr. Henry (Leader of the Opposition) commended the declaration against a forced conversion of Provincial Debts, but affirmed the conviction that the Prime Minister would force conversion on the country if he could do so. He attributed the existing attitude of the Government to the fact that the Dominion Prime Minister had turned a deaf ear to Mr. Hepburn at the Interprovincial Conference and he expressed satisfaction that the Ottawa Ministers had some appreciation of their responsibilities of office. The statement in the Speech from the Throne, he said, had been put in for a quieting effect, but nevertheless he held that Mr. Hepburn still stood for forced conversion (*The Mail and Empire,* Feb. 19). Denouncing the cancellation of the Quebec power contracts, Mr. Henry declared that the day would come when the Liberal Administration would have to hang their heads in shame in face of a demand for all the power once purchased from Quebec. He charged that a firm of brokers, Wood Gundy and Co., had been enabled to make an excessive profit out of a private and thus improper flotation of Government bonds which might well be investigated by the Public Accounts Committee. Here Mr. Hepburn interrupted with a denial that the firm in question had received anything more than the ordinary commission on the transaction. The policy of floating short-term bonds when money was obtainable for long terms at a low rate of interest was criticized by Mr. Henry as a mistake which would prove costly in the future. He contended that the Industrial Code legislation of the previous Session had effected a very definite slowing up of the building trade in Toronto and suburbs.

The Prime Minister replied to the Leader of the Opposition in a slashing attack on the Henry Administration for extravagance and inefficiency. He charged that when he took office the Treasury Department

"was reeking in graft and corruption" citing the cases of three employees who had stolen more than $5,000 (*The Toronto Daily Star,* Feb. 19). One man, he said, had been allowed to retain his post after it was discovered that he had stolen $2,000; another employee had been given a bonus of $2,000 and reinstated after a shortage of $2,300 was known. Certain tax-free bonds had been offered to the Conservative Government, he claimed, at par but the offer was refused; and subsequently the same Government bought the bonds from a broker at 108½ yielding him a profit of $16,000 on the transaction. Mr. Hepburn charged inefficiency in the Highways Department which led to the self-destruction of a young man who had confessed to stealing $1,300. By way of showing how the new Administration had collected Succession duties Mr. Hepburn cited the case of the Spencer estate at London from which $660,000 had been recovered. He contended that the facts concerning the Harold F. Ritchie estate, from which $350,000 had been recently collected, was not disclosed by the legal firm of Moorhead and Macaulay with which the former Minister of Highways was associated. (Mr. Leopold Macaulay denied any connection with the transaction saying that the National Trust Company had handled the settlement of the estate). Continuing his speech, Mr. Hepburn declared that a Savings Office of the Government, having deposits of $7,000,000, had not been inspected for a period of two years. As to the cancellation of the Quebec power contracts he stated that if the Government (Liberal) had erred in cancelling the contracts they had erred on the side of the common people. Touching debt conversion he said "I did subscribe to a Dominion-wide conversion scheme taking in the Provinces and the municipalities" and added that Ontario was doing that under the Minister of Municipal Affairs. He concluded by declaring that the Government were not the spokesmen of power interests or of coupon clippers, but had been elected by men of humble homes and were going to give the Province honest and efficient administration.

Mr. Leopold Macaulay (Cons., York S.) declared that the Province was reeking with political patronage and cited several cases which the Prime Minister in a Press interview undertook to have investigated. He contended that the Government had failed to bring in a comprehensive plan to relieve unemployment. Mr. Macaulay characterized the reference made by the Prime Minister to the Ritchie estate matter, as unfair to his late partner, Mr. Moorhead. The dispute, he said, was simply an honest difference of opinion as to the value of a great business. Mr. A. D. Roberts (Lib., Sault Ste. Marie) countered with an attack on the administration of the Highways Department by the previous speaker—(during the Conservative *régime*) for his failure to prosecute a defaulter and to collect revenue owing to the Department. Mr. Russell Nesbitt (Cons., Bracondale) directed criticism to the administration of the Health Department for extravagance, inefficiency and patronage. The timber policy of the former Government was arraigned by Mr. Charles W. Cox (Lib., Port Arthur) who maintained that large timber areas of great value had been disposed of to individuals and companies with little or no return to the Province. He advised that all such agreements should be rescinded, allowing, however, the active pulp and paper industries to retain sufficient areas to keep up the necessary supply of raw material. The suggestion was made by Mr. Cox that forest fires had been started in the north country by men who wanted to get more profitable employment in putting them out. He declined to make a charge of wrong doing against any person, but affirmed that the fact that fire charges in one district had dropped from $200,000 under the old Administration to $72,000 under the

new Administration would indicate that something was wrong. In a Press dispatch, Mr. William Finlayson, K.C., (Minister of Lands and Forests in the former Conservative Cabinet), was quoted as saying that cases of arson had been investigated and punished and that the difference in fire fighting costs was due to a difference in rainfall (*The Globe,* Feb. 29). The Debate elicited a proposal by Mr. John W. Freeborn (Lib.-Prog., Middlesex N.) that a board to deal with farm mortgages should be established. He also urged cheaper Hydro-power for small towns and villages. Referring to the separate school matter, Mr. Adam H. Acres (Cons., Carleton) deprecated the introduction of an issue leading to racial or religious discord, at the very time when the people of Ontario should be united in an effort to overcome their economic troubles. Mr. Wilfrid Heighington (Cons., St. Davids) challenged the accuracy of the statements of Mr. Cox relating to the disposal of timber limits by the former Government without any return to the Province. He quoted figures showing a total cut of 481,000 cords since 1926, producing $962,000 in Crown dues. He urged the Government to end the talk of scandal and to get down to the business of the Province. The Hon. Peter Heenan, Minister of Lands and Forests, stated that his Department had cut the cost of administration by $400,000 and had increased the revenue by $800,000. He added that "if a Conservative Government had remained in office there would have been no such thing as Northern Ontario to-day; it would have seceded from the Southern section." (*The Toronto Daily Star,* Mar. 4, 1936). Mr. Samuel Lawrence (C.C.F., Hamilton East) criticized the administration of unemployment relief in Hamilton declaring "You led the people to believe you would do better than the previous Government, but I am here to say that you have been doing even worse."

An important contribution was made to the Debate by the Hon. Arthur W. Roebuck (Attorney-General and Minister of Labour) who spoke for some six hours on Mar. 3 and 4 in an elaborate review and defence of the Government's Hydro-Electric policy. He recalled the efforts of the Government to negotiate modified contracts with the Quebec power companies before they put into operation the Act authorizing their cancellation. These efforts were rendered futile by reason of the fact that the companies had no authority from their bondholders to accept altered terms. During the past year, he said, the Hydro-Electric Power Commission, owing to the Quebec power contracts, had a surplus of unwanted power of 500,000 horse power costing $7,500,000, which had involved it in a deficit of $2,870,000. The four companies concerned [the Gatineau Power Company, the Beauharnois Light, Heat and Power Company, the Chats Falls Power Company (later the Ottawa Valley Power Company) and the Maclaren-Quebec Power Company], had been paid since the first agreements commenced in 1928 the sum of $33,652,337, much of which had been actual waste. If these payments were continued to the end of the contracts the outlay would amount to the fantastic sum of $382,500,000. Mr. Roebuck congratulated the Province that it had a Government with the courage to rescue the users of light and power from the ruin that had faced them. Two new agreements which the Commission had arranged with the Gatineau and Maclaren Companies were announced. Instead of paying $15 per horse power for the full contract quantity from the Gatineau Power Company the Commission would by the new agreement pay $12.50 per horse power for the power actually used subject to a minimum of 100,000 horse power. Other changes to the advantage of the Province were mentioned, including the payment of purchase price in Canadian instead of United States funds, and relief from Quebec taxation.

The Commission had also entered into an agreement with the Maclaren-Quebec Power Company for a supply of 40,000 horse power at $12.50 per horse power, and had eliminated the objectionable features of the old contract. No new contract had been made with the Beauharnois Company because its offer was not acceptable. While the Commission was negotiating with the Ottawa Valley Power Company (formerly Chats Falls Power Company) it took legal action against the Commission and pending litigation nothing could be done. Mr. Roebuck estimated the annual saving to the Commission by the new contracts at $6,000,000, which would be passed on to the consumers in the form of substantial Hydro rate reductions in the very near future. (*The Globe,* Mar. 4, 1936) The Attorney-General declared that the principle of public ownership should be extended in Hydro matters and tenaciously observed. Above all things Ontario must own and control the sources as well as the distributing systems for its supply of power. He added: "The policy of this Government is to free itself as rapidly as reasonably possible from entangling alliances with private power companies and the policy of the Hydro-Electric Power Commission is 'Back to Niagara.'" Regarding Northern Ontario operations of the Hydro-Electric Power Commission, Mr. Roebuck reported that all the power properties in the North showed revenue in excess of expenses, except the Abitibi development, which would have a balanced budget in 1937.

Mr. W. H. Price (Cons., Parkdale) replied to Mr. Roebuck in a defence of the Hydro-Electric Power policy of the Conservative Governments. He charged that the Attorney-General had suppressed facts that showed the wisdom of the power contracts. The statement that the contracts supplied "unwanted power" was met with figures to the effect that the Commission had been using 300,000 horse power from Quebec. In making the contracts, the Commission during the Conservative Administrations had acted on the advice of the engineers who had an intimate knowledge of the situation and believed that they were good contracts. Mr. Price maintained that the contracts were good and were made without political interference. The distorted story of the Hydro-Electric Power Commission's financial condition and the repudiation of the contracts, had rendered it impossible for the Commission to secure a long-term loan at a low rate of interest, when it should have effected a saving of from one to three millions a year by cheaper refunding of its bonded indebtedness. The new contracts for power were cited by Mr. Price as proof that the Attorney-General had been wrong when he had declared that Ontario did not need Quebec power. In answer to a question across the House, Mr. Price admitted that the Conservative Government "did, in the light of five years of depression, purchase too much power." (*The Globe,* Mar. 6, 1936). But he affirmed that under the existing policy "Ontario would be in the grip of a power famine by 1940."

The Debate was continued by Lieut.-Col. Fraser Hunter (Lib., St. Patrick), Mr. W. L. Miller (Lib., Algoma-Manitoulin), Mr. George Challies (Cons., Grenville-Dundas), Mr. George S. Henry and the Hon. Duncan Marshall, Minister of Agriculture. On the night of Mar. 10 the House decided on a proposed Amendment to the Address moved by Mr. William Duckworth (Cons., Dovercourt) seconded by Mr. Samuel Lawrence (C.C.F., Hamilton East) regretting "the absence of any mention in the Speech of any constructive measures tending toward the alleviation of the terrible unemployment condition which affects the economic and social stability of thousands of our citizens, and through them the economic and social stability of the Province as a whole, and further that this House regrets the absence of any mention in the said Speech from the Throne of any

concrete figures to show that taxation and Governmental expenditures were actually reduced." This Amendment was rejected by a vote of 18 to 67 when the Address was carried on the same division reversed. In the two divisions the Government received the support of Mr. Farquhar R. Oliver (U.F.O. Member for South Grey), and the Opposition received the support of Mr. Samuel Lawrence (C.C.F., Member for East Hamilton).

The Budget Address, 1936

The Hon. Mitchell F. Hepburn, Prime Minister and Treasurer of Ontario, delivered the Budget Address on Mar. 12, 1936. He pointed out that the Government had to assume the load left by the previous Administration, "the most extravagant in all Ontario's history, which had increased the Debt during its last year by $61,000,000." The Funded Debt of the Province amounted on Mar. 31, 1935, to $586,365,499. Since then there had been new issues amounting to $46,300,000. From the total of $632,665,499 he deducted $38,804,984, as being issues paid off at maturity and issues purchased, leaving the Funded Debt on Feb. 29, 1936, at $593,-860,514.74, an increase of $7,495,015. From Apr. 1, 1935, up to and including Feb. 29, 1936, the Gross Debt of the Province had increased by the sum of $14,245,657. Against this the Government had, on Feb. 29, over $8,000,000 cash in the bank, leaving the actual increase in the Gross Debt for the eleven months' period at $6,245,657.

Owing to the change in the fiscal year made at the previous Session to conform with the Dominion fiscal year the Treasurer was under the necessity of dealing with two unequal periods of Provincial financing. The first of these was five months from Oct. 31, 1934, to Mar. 31, 1935, and the second period was twelve months from Apr. 1, 1935, to Mar. 31, 1936, of which ten months were of the actual transactions and two months were estimated. Dealing with the shorter period Mr. Hepburn stated that the Ordinary Expenditures amounted to $31,489,616, and the Ordinary Revenue to $21,048,944.06, resulting in an excess of Ordinary Expenditure over Ordinary Revenue for the five months of $10,440,672. He did not consider it necessary to discuss the five months' operations other than to state that there were certain times in the year when revenues did not march in harmony with expenditures, and as there was no budgetting for the period it might well have happened that instead of a deficit there would have been an excess of revenue over expenditure. However, not a dollar was spent except from Supply voted by the former Administration and not a dollar of revenue was collected except as the result of the revenue planning of the former Government.

Turning to the current fiscal year the Treasurer stated that the latest returns indicated a Revenue of $79,014,076 which was an increase over the forecast to the extent of $5,308,829. The main sources of the Revenue were then explained. The Gasoline tax would reach and probably exceed the forecast of $15,000,000. From Lands and Forests a gross revenue of $2,620,028 had been predicted, whereas it had reached by Feb. 29 the sum of $3,109,363. The Treasury Department already had collected $7,749,152 from the Corporation tax which was $1,321,781 in excess of the collections for the corresponding eleven months of the previous year. The collections and Succession duties for eleven months of the fiscal year were $11,360,596, an increase of $4,514,832.67 over the corresponding period of the previous year, and it was expected that $12,000,000 would be reached. Capital receipts which were forecast at $15,464,774 were expected to reach $35,252,491.78 by the end of the fiscal year. The report of Ordinary Expenditures, not including unemployment relief, which the

Treasurer stated was based on ten months' actual results and two months' very careful forecast, showed that they amounted to $72,147,040, a reduction of $1,164,553 as compared with the estimated amount for the period. There would, therefore, be a surplus of $6,867,036 as of Mar. 31, 1936. But the unemployment direct relief, less grants-in-aid, had amounted to the staggering sum of $20,363,645. When this figure was added to the Ordinary Expenditure, as was necessary to an honest statement, the total exceeded the Ordinary Revenue by $13,496,609.

Reviewing the operations of the various Departments the Treasurer submitted figures showing that in nearly every case they had kept within their estimate. The chief exception was that of the Department of Health due to the necessity of extending further aid to the Sanatoria, public hospitals and homes for incurables. He contrasted this record with that of the last year of the Henry Government with a deficit of $30,599,250 and an addition to the Public Debt, amounting to $61,633,000.

On Capital Account the total expenditure for the previous eleven months had been $30,007,200.66 as compared with Capital Expenditures during the corresponding period of the previous year amounting to $54,404,568.57, showing a reduction of $24,397,368. The Treasurer undertook in the next fiscal year to show a Surplus of half a million dollars, and a reduction of the Gross Debt of the Province by $9,962,353.

Discussing ways and means the Treasurer announced that there would be no increases in Corporation taxes, or in Succession duties, that the tax on native wines would be repealed and that already some reduction in the Amusement taxes had been brought about. As to the Income tax, he said he did not believe that at the next Election one member of the Opposition would be able to stand before his constituents and give one solitary reason why he opposed the Income tax Bill. The proposal to increase the Gasoline tax was rejected by the Treasurer as a burdensome increase to the cost of transportation. Finally, he pledged the Government to collect the revenues predicted, to live within the Supply voted by the House and to bring the blessings of good government to all.

Public Accounts, 1935-1936

Owing to the change in the fiscal year, already noted, the Public Accounts for 1934-35 covered only five months, Nov. 1, 1934 to Mar. 31, 1935. The figures for this broken period indicate Ordinary Expenditure of $31,489,616 and Ordinary Revenue of $21,048,944 showing a deficit of $10,440,672. There was also Capital Expenditure of $12,099,077 and Capital Revenue of $97,178. At the close of the fiscal year the Funded Debt was $587,191,342 and the Unfunded Debt, $77,819,662, making the total Capital Liabilities, $665,011,004, to which were added Income Liabilities of $9,374,913, bringing the Total Liabilities up to $674,385,917. The Public Accounts for 1935-36 covered twelve months from Apr. 1, 1935, to Mar. 31, 1936; for this period the Ordinary Revenue was reported at $65,726,984 and the Ordinary Expenditure, at $57,256,322, indicating a Surplus (before providing for unemployment direct relief) of $8,470,662; but after providing $21,813,368 for unemployment relief, there was a Deficit of $13,342,705.74. On Capital Account there was an Expenditure of $16,786,440 and a Revenue of $1,928,717. At the close of the fiscal year the Funded Debt stood at $594,112,954 and the Unfunded Debt at $86,056,340, making the total Capital Liabilities, $680,169,295 to which were added Income Liabilities of $9,389,219, bringing the Total Liabilities to $689,558,514. The Contingent Liabilities, bonds etc. guaranteed, were $99,438,793 on Mar. 31, 1935, and $113,968,417 on Mar. 31, 1936.

The Budget Debate

Acting as financial critic for the Opposition, Mr. W. H. Price, former Provincial Treasurer, replied to the Budget Address. He claimed that Mr. Hepburn had attempted to mislead the people by avoiding publication of the Gross Debt; that he had concentrated on the Funded Debt which amounted to $594,000,000, without referring to the Unfunded Debt of $61,000,000. He took exception to the application to debt reduction of the repayment of $14,000,000 by the Hydro-Electric Power Commission. When loans had fallen due, he said, the Commission had issued its own bonds guaranteed by the Province to pay off the loans the result being that the direct liabilities were reduced and the indirect liabilities increased by the same amount. From the only figures available Mr. Price estimated the Gross Debt of the Province at $690,630,000. He contended that since the Liberal Government had come into office the Gross Debt had been increased by $90,000,000. As to the estimate of a small deficit for the current year Mr. Price figured that as the revenue for the previous five months had fallen short of the expenditure by $5,751,850 there would be a shortage, at the same ratio, of $13,800,000 for the twelve months. Col. Price affirmed that the worst patronage system that he had ever known prevailed in the Government's operations in Northern Ontario. He characterized the Liquor Control administration as reckless and the flooding of Ontario with drinking places as a disgrace to the Province.

Reviewing the work of the Departments of Welfare and Labour, the Hon. David Croll, Minister in charge, informed the House that during the previous fourteen months the relief rolls of Ontario had been reduced by 123,079. Approximately 60,000 workers had been placed under 40 fair-wage agreements; seasonal jobs on farms had been found for 8,000 men; the number of men working in the Northern Ontario bush had been increased to more than 13,000, largely through a reduction in stumpage dues, and continuity of employment had been assured to 5,000 workers in Thunder Bay District. There were, however, still 300,000 jobless men in Ontario, the lowest figure since January, 1932. In the previous year the cost of relief was $28,000,000 with the Province paying about $21,000,000. For the current year the total cost would be $21,000,000, of which the increased Dominion Government grant would pay $12,600,000. He believed that the peak of relief had been passed and that the problem was gradually shifting from relief to re-employment, which was what the average man in receipt of relief wanted.

The Debate on the Budget continued with varying interest and intensity from Mar. 12 to Mar. 27. Opposition speakers challenged the accuracy of the financial statement, while supporters of the Government expressed confidence in the Budget showing. Otherwise, the Debate took a wide range covering many fields of Provincial activity. Mr. Arthur Ellis (Cons., Ottawa S.) maintained that the future of Ontario was being gambled with by financing with short-term loans. He failed to see how the relief expenditures could be reduced as announced unless the Government proposed to let a few people starve to death in Ontario. This observation elicited a reply from Mr. Nixon to the effect that the reduction in relief expenditure by Ontario was due to the fact that more help was being received from the Dominion Government. During his remarks on the Budget several questions regarding timber deals in Indian lands were submitted by Mr. Acres (Cons., Carleton) to Mr. Charles W. Cox (Lib., Port Arthur). These questions, which were described by Mr. Cox as a "malicious innuendo" concerned properties which were not Provincial but

Dominion, and elicited a detailed reply. The Hon. Peter Heenan (Lib.-Lab., Kenora-Rainy River), Minister of Lands and Forests, vigorously assailed the action of Mr. Acres as an unwarranted attack on the reputation of a Member of the House, for which he held Mr. Henry accountable. An attack on the liquor policy of the Government was voiced by Mr. Macaulay who charged the Government with trying to push sales rather than to control them. He opposed the sprinkling of beverage rooms throughout the Province. Dealing with the financial question, Mr. Macaulay affirmed that the Government had increased the Public Debt by $88,000,000 and, instead of reducing the Ordinary Expenditure by 50 per cent., had increased it by 25 per cent. The Member for Brantford, Mr. M. M. McBride (Ind.) urged the House to let bygones be bygones and to plan and build for the future. He held that the Income tax was ten years late, quoting Ottawa statistics to show that from 1923 to 1934, after paying all taxes imposed, a total of $12,000,000,000 had been left in the pockets of individuals and corporations. People who complained of the breaking of contractual obligations were the real enemies of the Hydro-Electric Power Commission. Special attention was drawn by Mr. T. A. Kidd (Cons., Kingston) to the work of the Connell Cancer Foundation at the Kingston Hospital and Queen's University where encouraging results were being obtained and good progress was being made. He urged the Government to watch the work of the Foundation and give it the fullest co-operation, as he was confident of its results. Other Members took up and dealt with the various phases of the Debate, including Messrs. D. M. Campbell (Lib., Kent East), W. Duckworth (Cons., Dovercourt), W. L. Houck (Lib., Niagara Falls), W. A. Baird (Cons., High Park), W. D. Smith (Lib., Dufferin-Simcoe), J. Francis Kelly (Lib.-Prog., Muskoka-Ontario), E. J. Anderson (Lib., Welland), M. D. McVicar (Lib.-Prog., Lambton E.), P. M. Dewan (Lib., Oxford), H. N. Carr (Lib., Northumberland) and J. A. Habel (Lib., Cochrane).

The protracted Budget Debate was brought to a close by the two Leaders on the evening of Mar. 27. Mr. Henry contended that the financial situation of the Province was exactly the reverse of that stated by the Treasurer, and predicted a Gross Debt of more than $700,000,000 by the end of the new fiscal year; but that was not alarming, he said. He believed that the credit of the Province had been depreciated by the repudiation of the Hydro-Electric contracts, but believed that no Government, or chain of Governments could ruin the Province's credit. Much of the Debt, he said, was backed by assets such as the highway debt of $200,000,000 without which the tourist trade would never have developed to its existing proportions. Debt, he added, was an indication of the ambition of the people to go forward.

Replying to Mr. Henry, the Prime Minister offered to buy him the finest hat in Toronto if the Debt was greater at the end of the next fiscal year as predicted. Much of the Prime Minister's concluding Address was devoted to a forceful denunciation of the charges made by Col. Price against the liquor administration and his insinuations against almost the entire Hepburn Cabinet. Mr. Hepburn extended to the Chief Commissioner of the Liquor Control Board the congratulations of the Government for his most efficient work and said that the Administration counted itself fortunate to have in such an exacting office a man of the ability and character of Mr. Odette. As a parting shaft at Mr. Price, the speaker charged that during the late Election he (Mr. Price) had gone around the Province more like a beer agent than a Minister of the Crown. The Leader of the Opposition, Mr. Hepburn said, was a Conservative by heredity,

tradition and conviction. The Conservatives, he continued, had not subscribed to an Income tax because they believed in special privileges. Toryism, said Mr. Hepburn, can endure only so long, then you have social or economic revolt among the people. "I belong to the Reform School because Reform gave us democracy and—better still—free schools. At the conclusion of the Prime Minister's remarks the Assembly divided on the Motion that the House go into Committee of Supply; this was carried by a vote of 59 yeas and 16 nays, the Independent Members voting with the Government.

Estimates, 1936-37

On Mar. 12, 1936, a statement of Estimates on Ordinary and Capital Expenditures for the fiscal year ending Mar. 31, 1937, was tabled in the House. The following table shows the amounts which were to be Voted and those that were Statutory:

Departments	To be Voted	Statutory
Agriculture	$ 1,969,500.00	$ 8 000.00
Attorney-General	2.261,900.00	154.700.00
Hydro-Electric Power Commission		1,040,000.00
Education	9,082,700.00	1.411,638.43
Game and Fisheries	535,000.00	
Health	7,651,000.00	71,000.00
Highways	577,110.00	9,709,935.00
Insurance	66,075.00	
Labour	397,116.30	
Lands and Forests	2,127,325.00	8,000.00
Legislation	263,900.00	
Lieutenant-Governor	8,000.00	
Mines	342,003.60	8,000.00
Municipal Affairs	83,125.00	
Northern Development	2,500,000.00	3 000.000.00
Prime Minister	132,470.00	856,995.00
Provincial Auditor	112,300.00	6,500.00
Provincial Secretary	1,642,100.00	9,000.00
Provincial Treasurer	1,380,086.60	32,794,935.51
Public Welfare	18,619,414.00	8,000.00
Public Works	990,800.00	
Miscellaneous	310,000.00	10,000.00
	$51,051,925.50	$49,096,703.94

A further statement gave the following analysis of these Estimates: Ordinary, $73,217,664; Capital, $26,930,966; and the total, $100,148,630.

Provincial Income Tax

The Government proceeded without loss of time to facilitate the passage of the most contentious and far-reaching item of the legislative programme, namely,—"the Bill to authorize the Levying of a Tax upon Certain Incomes." This measure, as it finally became law, imposed a graded Provincial tax on all incomes, subject to certain specified deductions and exemptions, the latter including $2,000 for a married person and $1,000 for others. The rates of taxation applicable began with two per cent. on net taxable incomes of $1,000, and advanced by one-half of one per cent. with each additional one thousand dollars of annual net income until $20,000 was reached with a levy of 11½ per cent. Thereafter each additional $5,000 of income incurred an added tax of one-half of one per cent. until an income of $100,000 was reached and was made taxable at 19½ per cent. For every additional $10,000 of annual net income a further tax of one-half of one per cent. was imposed until $200,000 was reached upon which the tax levied became 23 per cent. The next stage applied to advances of $25,000 each, upon which a further tax of one-half of one per cent. was imposed, until $400,000 was reached, taxable at 27 per cent. Net incomes of $450,000 were taxed 27½ per cent.; $500,000 and over 28

per cent. Under the provision of a measure "to reimburse Municipalities in respect of the Income Tax," the Lieutenant-Governor-in-Council was authorized to pay to any municipality a sum equal to the total amount of taxation on incomes levied by it in the year 1935, and such municipality was required to pay to each school board a sum equal to the amount of taxation on incomes actually rated and levied for the purposes of such board. In addition to the payments above provided, the Lieutenant-Governor-in-Council was authorized to pay to cities, towns, villages and townships any part of the Income tax paid to the Province in any year. The Lieutenant-Governor-in-Council was empowered to make an agreement with the Dominion authority for the collection of the tax by the latter.

By Amendments to the Municipal Act (introduced by the Hon. David A. Croll, Minister of Municipal Affairs) the power to levy taxation on incomes was withdrawn from municipalities, and provision was made for the refunding of any business tax paid by individuals who had paid the Provincial Income tax. Persons not disqualified, who had paid the Provincial Income tax, were declared to be entitled to vote at municipal elections. Much opposition was offered to the proposed taxation when, on the second day of the Session, the Resolution concerning the new Income tax, approved by the Lieutenant-Governor, was moved by Mr. Nixon. During the Debate on the Resolution Mr. Henry demanded to know the Government's reasons for proposing the tax, seeing that it had been elected on pledges to reduce taxation. The Hon. Paul Leduc, Minister of Mines, replied that "the income levy was absolutely necessary. All the Departmental economies effected by the Government, the rigid collection of existing taxes, and the general tightening up in administration had been unable," he said, "to improve finances to the point where the huge deficit left behind by you fellows when you went out of power could be overtaken. The Prime Minister had promised to balance the Budget next year, and the Income tax," Mr. Leduc stressed, "was the means of doing so." In response to the request of Mr. Leopold Macaulay for a specific statement as to the Debt of the Province, Mr. Nixon stated that this would be revealed when the Public Accounts were brought down.

Mr. Henry moved that the Resolution should be referred back to the Committee of the Whole "for the Government to lay before the Committee such data and information as will provide reasons why the Government find it necessary to increase taxation, instead of decreasing it as they had promised." Sixteen Conservatives voted for the Motion, fifty-six Members voted against it. The original Resolution was then adopted. In its various stages the Bill received searching criticism from the Opposition and unanimous commendation from supporters of the Government. While Mr. Henry agreed with the principle of taxing incomes he argued that a Provincial Income tax in Ontario would tend to drive industry out of the Province and hence would discriminate in favour of Quebec and the Maritimes. He took exception to the financial policy of the Government which called for this additional taxation, and advocated instead a drastic revision upwards of Dominion subsidies. The decision of the Government to have the tax collected by Ottawa met with commendation from the Opposition Leader (Mr. Henry). Mr. John J. Glass (Lib., St. Andrews) contended that the tax was necessary to enable the Government to carry out their "pay as you go" policy; that there had been too much borrowing in the past; and that the time had come when revenue had to be obtained from those best able to afford it. The probable net revenue from the new tax, after deducting the rebates to the municipalities, was estimated by Mr. Nixon at $5,000,000. Seeing that the Legis-

lature proposed to delegate power to collect Provincial taxes to another Government, Mr. Price suggested that it was probably unconstitutional, but declined to express a definite opinion on the matter. Mr. Heighington contended that the Government had no mandate to impose the new taxation.

In reply to Mr. G. S. Henry, who pressed for a financial statement, Mr. Hepburn observed that the Leader of the Opposition was not seeking information but rather adopting blockading tactics. There were extraordinary circumstances requiring speedy action as the tax would be collected by the Dominion Government and there was little time left. Mr. Arthur Ellis (Cons., Ottawa S.) anticipated that the taxation of the farmers' income would result in a rise in prices and the driving of industry from the Province. He moved that the second reading of the Bill should be deferred to a day when the Government could place before the House information as to the financial position of the Province. The Speaker ruled this Motion out of order as it did not set a specific period of postponement. An appeal against the Speaker's ruling, by way of a Motion to adjourn, was rejected by the House when a further Motion was made to postpone consideration for three months. On a division, this Motion was defeated by a vote of 15 to 52, both Mr. Lawrence and Mr. Oliver voting with the Government, and forthwith the Bill received its second reading on Feb. 19.

With several Amendments of a minor character the Bill was passed through the Committee stage Feb. 25 and received its third reading two days later on a Party division. On Mar. 2 the Lieutenant-Governor attended at the House and gave the Royal Assent to the Act which thereupon became law as 1 Edward VIII, c. 1, after a rather stormy passage through the Assembly.

Power Contracts Validated

Legislation was enacted confirming and declaring to be legal and valid contracts between the Hydro-Electric Power Commission and the Maclaren-Quebec Power Company and the James Maclaren Power Company providing for the purchase of 40,000 horse power of electrical power and energy by the Commission from the Companies at a price of $12.50 per horse power for ten years; also contracts between the Hydro-Electric Power Commission and the Gatineau Power Company and the Gatineau Transmission Company for the purchase by the Commission from the Companies of 260,000 horse power of electrical power and energy at a price of $12.50 per horse power for ten years. These contracts took the place of the cancelled contracts which the Legislature at its previous Session had declared to be illegal, void and unenforceable as against the Commission. The effect of the new contracts had been explained by the Attorney-General in the course of the Debate on the Address. Opposition criticism of the new contracts voiced by Mr. Henry was to the effect that the actual cost of power under them was $17.50 instead of $12.50, that the reserve of power provided for was hopelessly inadequate for the Province and that the period of ten years was insufficient. Reference to the new contracts in the Prorogation Speech intimated that they would effect a saving of $6,280,000 during the current year and $8,214,500 in 1937, or a total saving for four years of $30,000,000.

Re-apportionment of School Taxation

As announced in the Speech from the Throne, a Bill "to provide a more equitable distribution of taxes levied for educational purposes" was introduced by the Prime Minister (Mr. Hepburn) on Apr. 3, 1936,

and received its first reading. The Bill took the form of an Amendment to the Assessment Act of which the principle, as explained by Mr. Hepburn, was to provide that Corporations which "may" divide their taxes between public and separate schools in proportion to the ratio of Roman Catholic to Protestant shareholders "shall" in future be obliged to do so. In cases of great companies where it was physically impossible to determine the religion of the shareholders it was provided that the taxes "shall" be divided on the basis of the number of separate school supporters as compared with the public school supporters in any municipality concerned. This procedure was also to apply to Canadian subsidiaries of United States corporations. The Prime Minister observed that the measure did not go as far as many separate school supporters would like it to go, but went further than many public school supporters wanted it to go, yet he had confidence that the great majority of the fair-minded people in Ontario would favour the too-long-delayed measure of justice to all creeds. The principle closely followed that of the original School Law of 1863 and had been carried out in Alberta and Saskatchewan with great success. Considerable thought had been given by the former Government to the perplexing and contentious problem, and to a proposed reference to the Privy Council regarding a settlement of the matter. But the Courts could not do anything in the nature of making a suggestion; they could only decide on the validity of any legislation. A good deal had been said with regard to an agitation to abolish separate schools in Ontario. All the agitation in the world could not abolish separate schools, the right to which was given to the Roman Catholic minority in the constitution. The only persons who could decide to abolish separate schools were the Catholics themselves, and if they did so such action would place an unbearable burden on the municipalities and the Province. He trusted that the present Bill would not provoke religious controversy, but would be accepted in the spirit of the Golden Rule and would serve to demonstrate the unity of Canadians.

Discussion of the Bill was deferred to the Second Reading which was moved on Apr. 6. On that occasion Mr. Henry argued that the Bill departed from the spirit of the British North America Act under which separate schools were optional to religious minorities. He saw nothing in the record to suggest that anything of the kind contemplated by the Bill should be done. Corporations already had the privilege of giving a portion of their taxes to the separate schools, and although there was nothing mandatory about it, many did so. There was no need for the proposed legislation. The Act of 1863 had been intended to effect a final settlement of the separate school issue and assurances had been given by Roman Catholics that there would be no further agitation. He quoted the Hon. George Brown as warning Catholics that if there was further agitation it might "sweep the last vestige of separate school law from the Statute book." He believed that the Province should adhere to the Acts of 1863 and 1867, and that the people generally were of that mind. Requested by Mr. Hepburn to state the question the former Government had asked Mr. Tilley to prepare for submission to the Privy Council, Mr. Henry said: "The question was this: Are we in Ontario living up to our obligations as set out in the Act of 1863? Are we giving the separate schools what was provided for in that Act?" Mr. Roebuck afterwards declared there was nothing on file in the Department to show that questions had been framed for submission. He described the question as "a come-on to the Catholics without offending the Protestants." As to the Act of 1863 the Attorney-General remarked that there was no such thing as finality

so long as the world progressed. Mr. A. R. Nesbitt (Cons., Bracondale) charged that the proposed legislation was the price paid for support in an election. The Minister of Education, the Hon. L. J. Simpson, congratulated the Prime Minister on his presentation of the Bill. After giving the subject a great deal of thought he was firmly convinced that a new system of distributing taxes between public and separate schools was warranted. Mr. Macaulay (Cons.) asserted that if it were not for the iron discipline of Party politics the Bill would never pass the House. If a plebiscite were taken on the question, the separate schools of Ontario would be swept away, but they were here to stay because they were written into the Act of 1863. Instead of passing the proposed law the Government should find what the Constitution guaranteed and the people would live up to the judgment whatever it might be. In the opinion of Mr. Aurelien Belanger (Lib., Prescott) the Bill was a mere correction of conditions, in order to give the children of Ontario equality of opportunity. He believed in equality of treatment also in the field of public utilities but realized that in the face of determined propaganda it would be fatal for the Government to move to that extent. Mr. M. M. McBride (Indep.) said that if Governments did not have the courage to make honest efforts to settle such questions as the one before the House religious strife would ensue. An estimate of the probable loss to the public schools through the proposed legislation made by Mr. W. A. Baird (Cons.) placed the figure at $2,000,000, though the actual amount, he said, might be much larger. A challenge for the Government to resign and face the electorate on the issue was made by Mr. A. H. Acres (Cons.), who affirmed that if he were chosen to lead the Conservatives his first act as Prime Minister would be to repeal the measure.

The Debate was continued early and late for several days. During the all-night sitting of Apr. 8 and 9 Mr. Heighington moved at 3.30 a.m. to defer further consideration until the Government had appealed to the electors and obtained endorsement of the Bill. This Motion, supported by 17 Conservatives and one Liberal, Mr. Randolph A. Croome (Rainy River) was defeated by a vote of 18 to 67. On the Motion for the Second Reading 65 Members, including Mr. Oliver, voted for the Bill and 20 against it, including three Liberals: Mr. Croome, Mr. Joseph E. Crawford (Fort William) and Mr. George A. McQuibban (Wellington N.). The closing hours of the Debate were characterized by further clashes between the opposing Leaders and the declaration by Mr. Hepburn that threats had been made against his life, in no uncertain terms, during the previous few days but that he intended to stand firm for the principles of justice embodied in the Bill. A Sub-Section of the Bill providing that the Canadian Pacific Railway and the Bell Telephone Company would come automatically under its provisions, was deleted at the request of the Prime Minister, who explained that the change did not affect the principle of the Bill and that the clause had been misinterpreted. On the third reading of the Bill, Apr. 9, the House was again divided on a Motion for a six months' hoist by Mr. Henry which was defeated by a straight Party vote of 17 to 57. The Bill was finally passed on the same division reversed.

A brief sensation was caused by the discovery that the Bill, as passed through its initial stages, lacked the usual introductory clause which sets forth that: "His Majesty, by and with the consent of the Legislative Assembly of Ontario enacts as follows." This important omission, attributed to an oversight of the draftsman, was however remedied in Committee without entailing any delay.

Prorogation: Legislation and Incidents of the 1936 Session

The Second Session of the Nineteenth Legislature of Ontario was prorogued on Apr. 9, 1936, when the Lieutenant-Governor attended unceremoniously and gave the Royal Assent to 88 measures of which 66 were Public Acts and 22 were Private Acts. In reviewing the work of the Session the Speech from the Throne commented on the improved unemployment situation, and drew attention to the reduction of the Dominion Government's grant-in-aid which threatened to impose a serious hardship upon the Province and the municipalities. Efforts would be made to induce the Dominion Government to restore the former rate of assistance. Greater protection for many workers had been afforded by the Amendments to various Acts concerning them. The validation of the new Hydro power contracts and the changes in respect of the Administration of Justice received favourable comment. It was pointed out that the arbitrary powers exercised by the Optometry Board had been abolished, and that the Board had been invested with only such powers as were reasonably necessary for its operations. Regarding the separate school legislation the Speech stated that "provision had been made for a more just division between public and separate schools of taxes paid by corporations in the hope and expectation that it may provide a fair and equitable settlement of a problem which for many years has confronted the people of this Province." To meet the need for additional revenue an Act had been passed for levying a tax on the incomes of individuals. The Government was commended for adopting this means to balance the Budget. Increasing revenues were cited as indicating improving business conditions and more efficiency in collection. The people of Ontario were assured that they might look forward confidently to a reduction of the Gross Debt of the Province. The Speech predicted the greatest production of mineral wealth in the history of the Province during the current year. The hope was expressed that the Forest Resources Regulation Act would result in re-establishing public confidence in the newsprint industry. Various steps to improve the operations of agriculture were mentioned, and the active work of the Department of Health in the prevention of disease. The enactment of legislation authorizing the Temiskaming and Northern Ontario Railway Commission, subject to the approval of the Lieutenant-Governor-in-Council, to engage in truck, bus and airplane transport, would enable the railway to keep abreast of modern conditions.

During the Session opposition was offered to a Bill promoted by the Hon. Peter Heenan, Minister of Lands and Forests, to regulate the Forest resources of Ontario. Among other things, the Bill gave the Lieutenant-Governor-in-Council power, on the Minister's recommendation, to increase or reduce the size of the area or areas included in any licence, lease, concession agreement or arrangement, having regard at all times to the maintenance of a sufficient supply of timber for the purposes of the business of the company concerned. Power was also conferred on the Government to increase stumpage dues up to five times the existing charges, where any concern was deemed to be carrying on operations in a manner detrimental to the public interest. Mr. Macaulay (Cons.) maintained that it was unwise to give any Minister such dictatorial powers. Mr. Heenan replied that careful consideration had been given to the rights and interests of investors, industries and the people. Timber rights in widely separated places in different watersheds made it impossible to float logs to the mills, curtailed cutting and caused a loss of revenue to the province. A Motion by Mr. W. D. Black (Cons.) to give the Bill six

months' hoist was defeated in a Party division of 16 to 47 whereupon the Bill received its third reading and eventually became Chap. 22, 1 Edw. VIII.

A Bill was introduced by the Minister of Education, the Hon. L. J. Simpson, to provide for the establishment of intermediate schools throughout the Province. These schools were to inaugurate a four-year course of study to replace the public schools' junior and senior fourth classes, and the first two forms of collegiate and high schools. After the Bill had been debated pro and con, and received a second reading, it was withdrawn on Motion of the Prime Minister.

Licensing and control of fumigation was provided for by a Bill to amend the Public Health Act introduced by the Hon. J. A. Faulkner, Minister of Health. The Bill provided for the licensing of fumigation by the Province. It also authorized the municipalities to issue permits for each fumigation and collect a fee of $1 for the same (1 Edw. VIII, Chap. 51).

The Public Accounts Committee held twelve sittings during the Session. Certain charges of irregularities in connection with the construction of the road from Fort Frances to Kenora were investigated and a mass of evidence was reported without any finding. A charge made by Mr. W. H. Price (Cons.) that a contract for the supplying of railway ties had been let to Charles V. Gallagher, a former member of the Temiskaming and Northern Ontario Railway Commission, was reported to have been withdrawn by Mr. Price as it was found to be erroneous.

The Gunning Charges

During the Session of 1934 charges were made by Mr. D. Paul Munro (Lib., Wellington S.) that pay cheques for highway work in Elgin County had gone to persons who had performed no labour, or to persons who were dead, and that a set of cheques issued to a number of persons were all endorsed with the same signature. James R. Gunning, foreman on the job, was mentioned as deeply involved in the matter. The charges were referred to the Public Accounts Committee for investigation. Numerous examples of services of one kind or another going into the pay sheets as "team work" were disclosed, but no case of money having been paid out without value being received. These charges figured in the General Election of 1934 and, subsequently, it was claimed by one Henry M. Walker, of St. Thomas, that he had furnished the information on which they were based. On the strength of this assertion Walker claimed payment of $1,000 from Mr. Hepburn and others. Upon being prosecuted for attempted extortion Walker was convicted and committed to jail. The trial at London occasioned the absence of Mr. Hepburn from the Assembly during the first week of the Session of 1936. When Mr. Hepburn took his place in the Legislature Mr. Macaulay contended that Mr. Hepburn knew of the nature of the charges yet used them during the Election campaign. Mr. Hepburn admitted that he had misunderstood Walker's intentions. He added (*The Toronto Daily Star,* Feb. 21, 1936): "I do not believe Gunning misappropriated funds. And at this time I would like to clear his name of any charges of fraud that may have been laid against him by the extortionist Walker. I want to clear Gunning's name who is one of the bitterest political opponents that I have." The incident culminated with Mr. Macaulay declaring that "Walker and the Premier concocted these charges," and Mr. Hepburn replying "I deny that emphatically. Walker is a Conservative and you know that." *The Globe,* Feb. 21, quoted Mr. Hepburn as saying: "I think the whole thing was a frame-up on the part of Walker, who is a blackmailer and the worst type of

man." As quoted in *The Mail and Empire*, Feb. 22, 1936, Mr. Hepburn subsequently said that at the time Walker came to him with charges that corruption was rife in the Highways Department he did not know that he was a blackmailer, and did not know it until a year later: "As far as I knew he appeared as a citizen of Ontario producing documents which showed that a certain condition existed in the Highways Department. He produced pay-sheets of persons who received cheques who never worked on the roads. I couldn't say at that time that he was a blackmailer. . . . When I did find out Walker's true character I had the courage to take him into Court, and he is now in jail where he belongs."

Provincial Departments, 1934—1936

In order to preserve continuity the following summaries of Departmental Reports include the records of either two or three years as the case may be—that is, if the Report for the fiscal year 1932-33 is recorded in *The Canadian Annual Review, 1934*, this volume includes the Reports for 1933-34, 1934-35 and 1935-36. Owing to a change in the Provincial fiscal year from Nov. 1 to Oct. 31, to Apr. 1 to Mar. 31, the Report for 1933-34 covers the former fiscal year; the Report for 1934-35 covers the record for five months only, from Nov. 1 to Mar. 31; and the 1935-36 Report covers the new fiscal year. For purposes of comparison, only the Reports of the two full years are used in certain instances.

Education, 1935—1936

The Department of Education, headed by the Hon. L. J. Simpson, M.B., LL.D. (Deputy Minister: Duncan McArthur, M.A., LL.D.), in its Report for the year 1936 attributed the decrease in the attendance at Normal Schools from 1,237 in 1935-36 to 1,082 in 1936-37—a difference of 155—partly to improving economic conditions, partly to the realization that the teaching profession was already overcrowded, and partly to the fact that the requirements for admission had been raised. An attendance of 1,584 was reported in 1934-35 and of 2,778 in 1933-34. A general improvement in the qualifications of teachers throughout the Province was noted, over 5,000 attending Departmental Summer courses in 1936 and at least an equal number attending courses given by the Universities. Some 3,000 teachers had taken advantage of the Summer courses in the previous year. The Minister reported that the new plan adopted for practice teaching by student teachers was proving satisfactory as it provided for better practice training under less artificial conditions than those previously prevailing. It was hoped that greater uniformity of standards would be secured under the new scheme of having the final Departmental examination papers read by Committees of Normal School teachers. In the administration of schools in urban centres there appeared to be a tendency to place all schools, both elementary and secondary, under control of one head. The plan was successful from the beginning and the Department gave its approval to the arrangement. The alarming increase in the number of teachers being granted pensions on the basis of disability had resulted in all candidates for admission to the College of Education and the Normal Schools being required to undergo a medical examination by doctors appointed by the Department. As a result, twenty-nine candidates out of 1,374 were rejected on medical grounds. It was hoped that the teaching efficiency of the staffs would be raised by this means. Attention was drawn to the improvement and modernization of various Readers and other text books embodying the results of the best research work available. In his

Report for 1935 the Minister pointed out that the legislation of 1935 had had a definite effect in stopping the downward trend of salaries of teachers in rural schools. The problem of the small rural schools of which 730 had an average attendance not exceeding ten, and some as low as six, continued to engage attention. It was considered wise, wherever possible, to make provision for the education of children attending these schools in neighbouring schools. The importance of health teaching was stressed. The growth of the correspondence courses up to 2,000 pupils was announced, and the work of the five school cars in isolated sections was commended.

In the survey of the work of the Department for 1934 special reference was made to the retirement of two senior officials—Dr. A. H. U. Colquhoun and Dr. F. W. Merchant. It was recalled that for more than 28 years Dr. Colquhoun had discharged the duties of the Deputy Minister of the Department in a most acceptable manner and that during that period successive Ministers had enjoyed the advantage of his wisdom and experience. Dr. Merchant's services in the field of education had extended over a period of nearly sixty years. He was Chief Director of Education from 1923 to 1930 and from that date until his retirement he was chief Adviser to the Minister. For the services rendered by these two officials the Minister expressed the gratitude of the Province. Duncan McArthur, M.A., who retired from the James Douglas Professorship of Canadian and Colonial history at Queen's University, succeeded Dr. Colquhoun as Deputy Minister of Education. The Report referred to the financial difficulties which had beset the administration of educational affairs in spite of which the work of the schools had been continued unimpaired. Appreciation was expressed of the fidelity of the teachers of the Province in the discharge of their duties in most difficult conditions.

In the general statistical abstract appended to the Minister's Report a survey of the educational progress of Ontario during 1933, 1934 and 1935 was provided. In 1933 there were 7,653 schools as follows: Public, 6,383; R.C. Separate, 776; Continuation, 219; High, 208; Vocational (day), 59; Special Industrial, 5. The enrolment of pupils was: Public (day and evening), 483,405; R.C. Separate, 101,513; Continuation, 11,070; High (day and evening), 70,724; Vocational (day), 33,178; Vocational (evening), 22,351; Special Industrial, 1,732. The number of teachers in all schools was 21,480. The net Municipal expenditure less Legislative Grants was $41,528,445. Legislative Grants totalled $5,293,674. Teachers' salaries were $27,553,890.

In 1934 there were 7,684 schools as follows: Public, 6,411; R.C. Separate, 779; Continuation, 220; High, 209; Vocational (day), 60; Special Industrial, 5. The enrolment of pupils was: Public (day and evening), 465,171; R.C. Separate, 101,591; Continuation, 10,852; High (day and evening), 70,283; Vocational (day), 33,601; Vocational (evening), 23,803; Special Industrial, 1,767. The number of teachers in all schools was 21,678. The net Municipal expenditure less Legislative grants was $38,483,380. Legislative grants were $5,064,222. Teachers' salaries were $27,180,468.

In 1935 there were 7,744 schools as follows: Public, 6,455; R.C. Separate, 793; Continuation, 211; High, 222; Vocational (day), 58; Special Industrial, 5. The enrolment of pupils was: Public (day and evening), 461,362; R.C. Separate, 101,152; Continuation, 9,464; High (day and evening), 70,029; Vocational (day), 35,418; Vocational (evening), 24,360; Special Industrial, 1,609. The number of teachers in all schools was 21,897. The net Municipal expenditure, less Legislative grants was $38,718,787. Legislative grants were $4,793,198; Teachers' salaries totalled $27,675,597.

The Report of the Director of School Attendance showed that approximately one-fifth of the population of the Province was enrolled in the elementary schools and that the attendance in the school year 1934 was 91.56 per cent.; in 1934-35 it was 90.83 per cent.; and in 1935-36 it was 90.27 per cent.

The chief Inspector of Secondary Schools reported that at the beginning of the school year 1935-36 it was decided by the Department to place all the Collegiate Institutes, High Schools and Grade A and Grade B Continuation Schools in one category, and to assign the duty of inspecting these schools to the four High School Inspectors and the three Continuation School Inspectors. In several municipalities new schools had been built and in others accommodation had been improved. For two previous years reference was made to the decrease in the attendance at High Schools. This decrease continued in the Secondary Schools for 1936, which showed a net decrease in average attendance of 1,002. Actually, the enrolment at Collegiate Institutes and High Schools in 1933-34 was 68,013 and it rose from 67,395 in 1934-35 to 67,899 in 1935-36. The apparent increase in 1935-36 was due to the fact that twelve Continuation schools became High Schools during the latter year. It was noted that the teachers in the Secondary Schools were displaying an enthusiastic and progressive spirit. Many availed themselves of the Summer classes provided by the various Universities, some had taken at least a one year course in modern languages in Europe, or a long Summer course in Physical Culture in Denmark or Sweden and courses in French in Quebec.

The Director of Vocational Education reported that for two years there had been a progressive increase in the number of students attending Vocational Schools. During the peak years, 1930 to 1932, the day school enrolment reached 37,000 and the evening school enrolment 47,000 reflecting the trend of economic influence. In the year 1933-34 the attendance at day classes had dropped to 33,000 and at evening classes to 22,000. In 1934-35 the enrolment for day schools was 33,561 and for night schools, 23,803. In 1935-36 the enrolment reached 36,000 for day schools and 24,000 for night schools. A decided upward trend in attendance was predicted for the future. The success of students of the schools in further studies in the Universities was most marked.

The School Law Amendment Act, 1936, gave authority to High School, Public and Separate School Boards to establish pension funds for officers and employees, other than teachers and inspectors. Contributions by the officers and employees were required, and Boards were empowered to contribute. Necessary precautions to ensure the actuarial soundness of the plans adopted were prescribed. A new basis of county support for secondary education was enacted and also a method of settling disputes between County Councils and School Boards by a judicial reference. The Lieutenant-Governor-in-Council was empowered to fix and alter the basis on which High School grants were paid. School trustees were disqualified if school taxes were unpaid when they were nominated. Uniformity of practice with regard to the dates for the opening and closing of schools was established. In order to safeguard the Teachers and Inspectors Superannuation Fund the payments of contributors was raised from two and a half per cent. of their salaries to three per cent., the Government contribution being fixed at two and a half per cent. Among the amendments made to the School law in 1935 was the addition of a Section to fix the minimum salary for Public School teachers in rural schools at $500 a year. The right of the Minister to use classes in any school for

the purpose of practice teaching was made statutory. Where the wife, son or daughter of the owner of property sought to qualify thereby for election as a public school trustee it was required that no school taxes on such property be overdue or unpaid. Permission was given to Separate School Boards to limit the number of Separate School trustees in cities to one trustee a ward and in towns, divided into wards, to six trustees.

After two years study of the Ontario Educational System the Elementary Education Survey Committee, composed of leading educationists, under the Chairmanship of Mr. T. I. Davis of Toronto; presented their Report in April, 1935, to the Minister of Education. The Committee recommended the establishment of Experimental Schools to discover possibilities of child development. A two-year Health course for teachers was proposed and activities related to health in every grade of the Public Schools. Summer courses for teachers were suggested. It was urged that films should be used as freely as books in teaching history, nature study, geography and drama. The Report advised the Department to continue to encourage the shifting of emphasis from formal promotion examinations to daily tests showing development and progress. History books should contain the lives of others than politicians and war heroes. The teaching of household science and manual training in the rural centres, was recommended, also courses in agriculture, music, art, drama, physical culture and nature study.

The University of Toronto and its Colleges

The enrolment of students in all faculties of the University of Toronto during the 1935-36 session totalled 7,948 and during the 1934-35, 7,711. Admission to degrees in 1935-36 numbered 1,595 and in 1934-35, 1,487. The degrees for 1935-36 and 1934-35, respectively, included: LL.D. (Hon.), 8 and 4; D.Sc. (Hon.), 3 and 3; Mus. Doc. (Hon.), 1 and none; Ph.D., 36 and 28; M.A., 90 and 100; M.S., 1 and 2; M.A.Sc., 12 and 7; C.E., 2 and none; E.E., 1 and 1; D.Pæd., 2 and 3; M.Sc.F., 2 and none; Mus. Doc., 3 and none; M.Sc. (Dent.), 2 and none; M.S.A., 1 and 3; B.A., 657 and 592; B.Com., 45 and 52; M.D., 140 and 120; B.Sc. (Med.), 4 and 3; B.A.Sc., 159 and 192; B.Arch., 14 and 7; B.H.Sc., 18 and 18; B.Pæd., 52 and 39; B.Sc.F., 14 and 22; Mus. Bac., 4 and 4; M.S.A., none and 3; M.V.Sc., none and 1; D.V.Sc., none and 2; D.D.S., 59 and 44; B.Sc. (Dent.), 1 and 1; LL.B., 2 and 4; B.S.A., 117 and 120; B.V.Sc., 45 and 41; Phm.B., 100 and 74.

During the year 1934-35 Prof. F. B. Allan was appointed Dean of the Faculty of Arts; Prof. S. Beatty, Head of the Department of Mathematics; Prof. E. N. Walker, Head of the Department of Biology; Prof. R. F. Farquharson, Head of the Department of Therapeutics; and Headmaster J. G. Althouse as Dean of the Ontario College of Education. Important appointments for the year 1935-36 were: Prof. S. Beatty as Dean of Arts; Dr. A. D. A. Mason to the Faculty of Dentistry; and Dr. Robert Defries and Dr. C. H. Best to have charge of the School of Hygiene and the Connaught Laboratories, during the absence on leave of Prof. J. G. Fitzgerald; Dr. W. E. Gallie, F.R.C.S. (Eng.) as Dean of the Faculty of Medicine; Prof. Barker Fairley as Head of the Department of German; and Miss Jessie Brodie, M.A., as Professor of Household Science. The Honorary degree of LL.D. was conferred during 1934-35 on the following: Sir Henry Hallett Dale, England; Sir Frank Watson Dyson, England; Mrs. D. A. Dunlap, Toronto; and Prof. C. A. Chant, Toronto. The outstanding event of the academic year 1934-35 was the opening of the David Dunlap Observa-

tory at Richmond Hill on May 31, 1935, presented to the University by Mrs. D. A. Dunlap in memory of her husband.

At a Special Convocation on Nov. 27, 1935, the degree of Doctor of Laws, *Honoris causa,* was conferred upon His Excellency the Governor-General of Canada, the Rt. Hon. John Buchan, Baron Tweedsmuir of Elsfield, G.C.M.G., C.H. In connection with the 75th Anniversary of the Founding of the Ontario Educational Association a Special Convocation was held on Apr. 14, 1936, when the Honorary degree of Doctor of Laws was conferred upon the Hon. L. J. Simpson, Minister of Education for Ontario; Mr. H. R. H. Kenner, Principal of Peterborough Collegiate and Vocational School; Mr. J. H. Putman, Chief Inspector of Public Schools, Ottawa; and Miss M. E. Spence, formerly of Parkdale Collegiate Institute, Toronto.

On June 3, 1936, at a Special Convocation the Honorary degree of Doctor of Laws was conferred upon the Hon. Horace Harvey, Chief Justice of Alberta, Dr. G. F. Kay, University of Iowa, and, *in absentia,* Prof. W. A. Parks, Department of Geology; the Honorary degree of Doctor of Science was conferred upon Prof. R. S. Lillie, University of Chicago, Prof. T. R. Rosebrugh, Department of Electrical Engineering, and Dr. W. H. Collins, Director of the Geological Survey of Canada; and the Honorary degree of Doctor of Music upon Mr. W. H. Hewlett, Principal of Hamilton Conservatory of Music.

Benefactions received from various sources in 1934-35 reached $182,008, including $28,513 from the Rockefeller Foundation, $25,000 from the Eaton Endowment, $25,000 from the Estate of D. A. Dunlap; $20,000 from the Ontario Mining Association; $17,185 from the Estate of Prof. Ramsay Wright; $16,575 from the Carnegie Corporation; and $10,787 from the T. M. Porter bequest. Benefactions to the University during the year 1935-36 amounted to $100,968.68, including $19,968 from the Rockefeller Foundation for Child Research and Parent Education and $17,500 to the School of Nursing; $25,000 from the Eaton Endowment; $12,464 from the Carnegie Corporation, and $5,000 from the Estate of Sir John McLennan.

A new Pass Course in Fine Arts leading to a degree and certain options in Fine Arts on an Honours course was announced by President Cody on Sept. 24, 1935, in his inaugural address. A Chair in Geography, the first in the Dominion, was also announced, with an Honours and Pass course in geography.

The organization of a Communist Club in the University was brought to the attention of the public in December, 1935. It elicited from President Cody a declaration that: "As long as they abide by the regulations we shall not interfere with them. I may say that I am convinced that the students as a whole are level-headed, and that we have not a single 'Red' professor on the staff." (*The Mail and Empire,* Dec. 6, 1935).

In consequence of the reduction of the income of the University the Governors increased the tuition fees of students by 25 per cent. to take effect from the opening of the season 1935-36. At the same time the Scholarship and Bursary Fund was increased so that students of ability and limited means might not be denied the privilege of a University education.

The combined enrolment of the two Colleges at Victoria University in 1935-36 was 1,173 and in 1934-35, 1,202. In 1935-36 Victoria College had a total of 964 students and in 1934-35, 987. Figures for Emmanuel College were 209 and 215, respectively. Degrees in Arts were included among

those conferred by the University of Toronto. Emmanuel College students receiving diplomas in 1935-36 numbered 26; and in 1934-35, 23. The degree of B.D. was conferred on 4 students in each of the two years, 1935-36 and 1934-35.

Honorary degrees were conferred by Victoria at several Convocations: Doctor of Divinity (D.D.) on Apr. 16, 1935, on the Rev. John Crawford Cochrane, North Bay, Ont.; on the Rev. Robert Pogue, Orangeville, Ont.; and on the Rev. Col. Albert T. Holden, C.B.E., Melbourne, Australia; and on Apr. 20, 1936, on the Rev. James Coulter, Sarnia, Ont.; on the Rev. George Alfred Macdonald, Edmonton, Alta.; on the Rev. Prof. James Sutherland Thomson, M.A., Halifax, N.S.; and on the Rev. Harold Frederick Woodsworth, M.A., Japan. The 100th Anniversary of the granting of the Royal Charter to Victoria University, was celebrated on Oct. 9—11, 1936, at which time a Joint Convocation with the University of Toronto was held and the following Honorary degrees were conferred: Doctor of Laws (LL.D.) on the Rt. Rev. Charles Wesley Flint, M.A., D.D., LL.D., Atlanta, Ga.; Mr. William Edward Rundle, Toronto; Mr. Arthur Melville Scott, O.B.E., PH.D., Calgary, Alta.; and Mr. James Russell Lovett Starr, K.C., LL.B., Toronto; Doctor of Divinity (D.D.) on His Excellency the Governor-General of Canada, the Rt. Hon. John Buchan, Baron Tweedsmuir of Elsfield, G.C.M.G., C.H.; on the Rt. Rev. Peter Bryce, D.D., Toronto; on the Rt. Rev. Malcolm Arthur Campbell, M.A., D.D., Montreal; on the Rev. Francis Herbert Cosgrave, M.A., B.D., D.C.L., LL.D.; and on the Rev. Howard Primrose Whidden, D.D., D.C.L., LL.D.

Trinity College, in the University of Toronto had an enrolment of students in 1934-35 of 371 and the same number in 1935-36. Important appointments or other changes in staff in the two years were: 1934-35—the appointments of Mr. J. E. Crake and Miss M. W. Winspear as Fellows in the Departments of Classics and English respectively; in 1935-36—the resignation of Miss Mabel Cartwright, L.L.D. as Dean of Women and Principal of St. Hilda's and the appointment thereto of Mrs. M. M. Kirkwood, PH.D. Degrees conferred in 1934-35 and 1935-36 respectively were: B.A., 72 and 86; B.D., 3 and 2; L.Th., 6 and 5. Honorary degrees conferred during 1934-35 were: (May 26, 1935) Doctor of Divinity on the Rev. Canon Sydney Gould, M.D., and (Nov. 21, 1935) on the Rt. Rev. Paul Chingi Sasaki, Bishop of Mid Japan. Among the Bequests received were: in 1934-35—$5,000 provided by Miss Ada McLaughlin for the endowment of the Leonard McLaughlin Scholarship and arrangements for the ultimate reversion, upon the death of certain annuitants, of $20,000 to the same fund; in 1935-36—$5,000 provided by Dr. J. H. McConnell for the Endowment Fund of Trinity College and $500 by Mr. Edward John Perkins for the same fund.

The University of Toronto Department of St. Michael's College which comprises three colleges: St. Michael's (men), Loretto (women), and St. Joseph's (women), had a total enrolment in 1934-35 of 272 and in 1935-36 of 346. The degree of B.A. was conferred on 46 students in 1935 and on 75 in 1936. The following units of a new college building were constructed during 1936, namely, Teefy Hall (lecture hall), More House (residence), Fisher House (residence), and the Mediæval Library.

Wycliffe College reported an enrolment of 49 students in 1934-35 and of 51 students in 1935-36. Two Licentiate in Theology Certificates were conferred in 1934-35 and 5 in 1935-36. At a special Convocation on Feb. 29, 1936, the Honorary degree of Doctor of Divinity was conferred upon the Rev. Canon C. V. Pilcher, Bishop Coadjutor-Elect of the Diocese of

Sydney and on the Rev. W. Ramsay Armitage, Dean-Designate, Christ Church Cathedral, Vancouver.

At Knox College in 1934-35 there were enrolled in Theology 41 students and in Post Graduate studies, 14. Students graduating and receiving the diploma of the College numbered 8. For the session of 1935-36 the enrolment of students in Theology was 41 and in Post Graduate studies, 13. Students graduating and receiving the diploma of the college numbered 15.

At the Ontario Agricultural College, Guelph, the total enrolment during the five months from Nov. 1, 1934, to Mar. 31, 1935, was 845 students in the regular courses, made up as follows: Agriculture, 600; Home Economics, 234; Baking, 11. For the twelve months ending Mar. 31, 1936, the registration in all courses was 2,545 as compared with 2,240 in 1934. During the college year 1935 the institution was represented by three judging teams. With 24 teams competing at the International Live Stock Judging Contest at Chicago the O.A.C. stood 13th. With 19 teams competing at the National Dairy Show at St. Louis the O.A.C. ranked 5th. Out of 11 teams competing in the Intercollegiate Meat Judging Contest in connection with the International Live Stock Exposition, Ontario stood 6th.

Queen's University, Kingston

The University reported an enrolment of 4,324 students for the year 1935-36 and 3,523 for the year 1934-35. In 1935-36 there were 391 degrees conferred and in 1934-35, 339. The degrees for the two years 1935-36 and 1934-35, respectively, were as follows: Honorary, 4 and 4; B.D., 2 and 3; M.A., 15 and 13; B.A. (Honours), 49 and 48; B.A. (Pass), 143 and 101; B.C., 20 and 22; M.Sc., 5 and 11; B.Sc. (Honours), 19 and 18; B.Sc. (Pass), 88 and 67; M.D.M.S., 46 and 50; D.Ph., none and 1; M.C., none and 1.

Among the changes in the staff in 1934-35 were: the retirement of Prof. T. Callander, head of the Department of Greek; the promotion of Prof. H. L. Tracy to the chair of Classics; the relinquishing by Prof. Duncan McArthur of the James Douglas Professorship of Canadian and Colonial History on his appointment as Deputy Minister of Education for Ontario and the appointment of Prof. R. G. Trotter to succeed him; the resignation of Miss Hilda Laird as Dean of Women to become full-time Assistant Professor of German; and the appointment of Miss M. Winnifred Kydd to succeed her.

During 1935-36 changes in the staff included the resignation of Principal W. H. Fyfe upon his appointment as Principal of the University of Aberdeen (Dr. R. C. Wallace later succeeded him); the retirement of Prof. Norman Rogers, Professor of Political and Economic Sciences upon his appointment as Minister of Labour in the Mackenzie King Cabinet; the death of Dr. A. P. Knight, formerly Head of the Departments of Animal Biology and Physiology and member of the Board of Trustees; the retirement of Prof. W. T. MacClement as Head of the Department of Biology and the appointment of Dr. C. R. Salsbury as Assistant Professor of Anatomy.

An interesting announcement of July 25, 1935, and one which aroused a good deal of Press comment was that Dr. Hendry C. Connell of Queen's, discoverer of biological products known as "Ensols" for cancer treatment, had organized a Kingston clinic and had begun treatment of all patients seeking help.

Honorary degrees were conferred at two Convocations held in 1935. On May 8, the Honorary degree of LL.D. was bestowed on Mr. W. Clifford

Clark, Deputy Minister of Finance for Canada; Mr. Arthur Gibson, Dominion Entomologist; and Duncan McArthur, M.A., Deputy Minister of Education for Ontario. At the same Convocation the Honorary degree of D.D. was conferred on the Rev. J. R. P. Sclater, Toronto. On Oct. 12, the Rt. Hon. Sir Lyman Poore Duff, Chief Justice of the Supreme Court of Canada, and Mr. John George Ettinger, Kingston, Ontario, each received the Honorary degree of LL.D. At Convocation on May 6, 1936, the Honorary degree of LL.D. was received by Mr. Alexander Austin Jordan, Toronto; and that of D.D. by the Rev. Alexander Kenneth McLeod, Brighton, Ontario.

Gifts to the University in 1935-36 included the W. W. Near bequest of $50,000 for scholarships, and $25,000 from the Alumnae Association to provide a travelling scholarship for women graduates in memory of Dr. Aletta E. Marty.

University of Western Ontario, London

The total enrolment at the University of Western Ontario was 2,480 in 1935-36 and 1,913 in 1934-35. Degrees totalling 261 in 1935-36 and 294 in 1934-35, respectively, were conferred as follows: LL.D. (Hon.), 1 and 4; D.D., none and 2; M.A., 17 and 7; M.Sc., none and 1; M.D., 28 and 34; B.D., 1 and 3; B.Sc. (in Nursing), 6 and 4; B.A., 208 and 239. Thirteen Certificates of Public Health Nursing and 2 Diplomas in Business Administration were presented in 1935-36, and 4 and 3, respectively, in 1934-35. Also 2 Certificates in Hospital Administration were bestowed in 1934-35. The addition of $17,000 was made to the Student Loan Fund from the estate of J. Stanley Lovell of London, Ontario, during 1934-35. Dean F. J. H. Campbell replaced Dean A. B. Macallum as Acting Dean in the Faculty of Medicine in 1934-35. Honorary degrees of Doctor of Laws were conferred Oct. 29, 1934, on Judge Talbot Macbeth, London; on June 5, 1935, on Dr. George H. Locke, Toronto; Mr. John Francis Sullivan, London; and Charles A. Zavitz, Poplar Hill, Ontario; and on Oct. 25, 1935, on Sir Edward Wentworth Beatty, Montreal.

University of Ottawa

At the University of Ottawa there was a total enrolment of students in 1935-36 of 795 and in 1934-35, 770. Academic degrees received in 1935-36 totalled 132 and in 1934-35, 98. The class of degree conferred in each year was, respectively, as follows: B.A., 87 and 56; B.Sc., 1 and 1; B.Ph., 13 and 9; B.Th., 2 and 13; M.A., 9 and 5; L.Ph., 8 and 7; L.Th., 9 and none; Ph.D., 2 and 1; Litt.D., 1 and none; B.L., none and 1; B.J.C., none and 1; L.J.C., none and 3; D.Sc., none and 1.

Appointments to the staff in 1934-35 included: the Rev. G. Sauvé, as Dean of the Faculty of Philosophy; the Rev. J. Gravel, as Director of the School of Nursing; and the Rev. C. Latour, as Director of the School of Music and Elocution. The opening of the Commerce Course and the Schools of Nursing, Music and Elocution, took place during the season 1934-35. In 1935-36, the Very Rev. Joseph Herbert was appointed as Rector of the University; the Rev. H. Poupart, as Dean of the Faculty of Arts; the Rev. G. Sauvé, as Director of the University School of Political Sciences recently opened.

In 1934-35, the Honorary degree of LL.D. was bestowed upon the Hon. Lawrence A. Cannon, Supreme Court of Canada; the V. Rev. Mgr. Olivier Maurault, F.S.S., Rector, University of Montreal; Dr. Sherwood Fox, President, University of Western Ontario, London; and Mr. Georges Gonthier, Auditor-General of Canada. At Convocation in 1935-36, the

Honorary degree of LL.D. was conferred upon James F. Kenney, Dominion Archives; Major G. Lanctot, Dominion Archives; H.E. the Rt. Rev. C. Martin O'Gara, Yuanling, Hunan, China; and the Rev. Alexandre Vachon, Laval University, Quebec.

McMaster University, Hamilton

The enrolment at McMaster University in 1935-36 was 1,071, including 370 extension students. Figures for 1934-35 were 971 and 256, respectively. In 1935-36, 195 and in 1934-35, 214, respectively, received degrees from McMaster as follows: B.A., 156 and 158; M.A., 11 and 10; B.D., 2 and 2; B.Th., 6 and 11; and at Brandon College, B.A., 20 and 31; and M.A., none and 2. Honorary degrees conferred on May 20, 1935 were: LL.D., on Dr. Henry John Cody, President, University of Toronto; D.Sc., on Mr. Robert Wilson Smith, Professor of Biology, McMaster University, retiring after 36 years' service; D.D., on Mr. Thomas Wearing, Dean of the Colgate-Rochester Theological Seminary, Rochester. Professor A. L. McCrimmon, Chancellor from 1911 to 1922 and recently Professor of Systematic Theology, died in Apr., 1935. On Dec. 18, 1935, announcement was made of a new method of assaying ore, known as the "micro-spot," discovered by the Science Department of McMaster University, which promised to be of great assistance to prospectors in enabling them to determine quickly the gold value of ores. In May, 1936, the Honorary degree of LL.D. was conferred upon Mr. Robert Charles Wallace, President, University of Alberta and afterwards Principal, Queen's University; and the Honorary degree of D.D. was conferred upon Mr. Archibald Gillies Baker, Chicago University, and Mr. Malcolm C. MacLean, St. Catharines, Ontario.

Osgoode Hall Law School (Toronto) (Law Society of Upper Canada)

The Annual Report of the Dean, John D. Falconbridge, K.C., showed the registration of students in 1935-36 was 392 as follows: 161 in first year, 131 in second year, and 100 in third year. During the year 1934-35 the registration of students was 337 of whom 154 were in first year, 103 in second year, and 80 in third year.

Agriculture

Statistics gathered under the direction of the Hon. Duncan McLean Marshall, Minister of Agriculture, showed that the total area in Ontario devoted to the principal field crops in 1936 amounted to 9,119,000 acres as compared in 1935 to 9,106,000 acres and in 1934 to 9,000,000 acres. Although unfavourable conditions reduced the volume of production in 1936 by approximately ten per cent., the total value rose to $162,332,000, an increase of over $30,000,000 over 1935 when the crop value was $132,086,000. In 1934, the value of the field crops of Ontario was placed at $143,734,000. The number of sheep and lambs was estimated at 886,500 in June, 1936, as against 945,700 in 1935 and 962,300 in 1934. Hogs showed a large increase at 1,408,300 in 1936 as compared with 1,225,300 in 1935 and 1,177,900 in 1934. Horses, cattle and poultry were practically unchanged in number in the three years under review. The total number of live stock on hand in June, 1936, was 22,958,383, as compared with 22,961,534 in 1935 and 22,802,578 in 1934. The value of the live stock on hand showed a steady increase in the three years being: $169,699,524 in 1936; $159,803,541 in 1935; and $149,011,313 in 1934. The total estimated value of farm property in Ontario on June 15, 1935, including lands, buildings, implements, vehicles, and live stock was $1,474,633,047; and the corresponding figures for 1934 were $1,505,916,724.

Estimated Gross Agricultural Revenue of Ontario

	1934	1935	1936
Field Crops	$143,734,000	$132,086,000	$162,284,000
Farm Animals	34,089,000	43,344,000	46,732,000
Wool	479,000	575,000	735,000
Dairy Products	80,018,000	85,132,000	92,516,000
Fruit and Vegetables	16,375,000	18,697,000	17,832,000
Poultry and Eggs	19,464,000	20,915,000	22,939,000
Fur Farming	704,000	966,000	1,131,000
Maple Products	1,040,000	1,161,000	1,161,000
Tobacco	6,338,000	10,117,000	8,549,000
Flax Fibre	150,000	161,000	155,000
Clover and Grass Seed	857,000	710,000	1,367,000
Honey	1,029,000	864,000	928,000
Total	$304,277,000	$314,728,000	$360,329,000

Final Figures of the Value of Field Crops for 1935 as Compared with Final Figures for 1936

Field Crops	Year	Acres	Bushels Per Acre	Total Bushels	Value Per Unit	Total Value
Fall Wheat	1935	555,100	22.7	12,600,700	$0.71	$ 8,946,900
	1936	509,300	24.5	12,478,000	1.16	14,475,000
Spring Wheat	1935	98,800	18.8	1,857,100	.73	1,356,100
	1936	98,000	17.7	1,735,000	1.15	1,995,000
Oats	1935	2,376,700	36.0	83,560,800	.28	23,957,100
	1936	2,345,900	28.5	66,858,000	.50	33,429,000
Barley	1935	523,000	32.2	16,841,000	.40	6,736,300
	1936	519,200	27.0	14,018,000	.80	11,214,000
Fall Rye	1935	59,300	17.6	1,044,400	.40	417,800
	1936	53,200	16.8	894,000	.84	751,000
Mixed Grains	1935	926,600	36.5	33,821,200	.34	11,499,200
	1936	953,100	29.2	27,831,000	.55	15,307,000
Buckwheat	1935	186,400	20.9	3,896,500	.40	1,558,400
	1936	197,000	20.1	3,960,000	.73	2,891,000
Corn for Husking (shelled)	1935	167,700	46.3	7,765,000	.45	3,494,300
	1936	164,400	37.0	6,083,000	.70	4,258,000
Peas	1935	68,700	17.0	1,168,200	.95	1,109,600
	1936	66,800	12.2	815,000	1.55	1,263,000
Dry Beans	1935	57,000	18.1	1,031,900	1.45	1,496,500
	1936	56,300	13.2	743,000	2.02	1,501,000
Flaxseed	1935	7,400	10.2	75,300	1.30	98,300
	1936	5,300	6.5	34,000	1.48	50,000
Turnips	1935	62,200	350.0	21,786,800	.12	2,614,400
	1936	61,900	375.0	23,227,000	.14	3,252,000
Mangolds	1935	33,800	378.0	12,787,400	.12	1,534,500
	1936	32,400	399.0	12,941,000	.14	1,812,000
Carrots	1935	2,100	170.0	352,800	.12	42,300
	1936	1,900	163.0	314,000	.14	44,000
			cwt.	cwt.		
Potatoes	1935	149,200	52.8	7,880,100	1.12	8,825,700
	1936	145,000	64.0	9,283,000	1.35	12,532,000
			tons	tons		
Sugar Beets	1935	39,900	8.50	339,100	5.31	1,800,500
	1936	37,600	10.40	391,000	5.32	2,078,000
Fodder Corn (green)	1935	324,800	9.34	3,033,700	3.00	9,101,000
	1936	306,900	8.05	2,471,000	3.18	7,858,000
Hay and Clover	1935	2,529,500	1.82	4,603,700	7.08	32,593,500
	1936	2,510,300	1.57	3,936,000	8.79	34,612,000
Alfalfa	1935	588,900	2.58	1,519,300	7.57	11,499,400
	1936	666,400	2.28	1,519,000	8.74	13,276,000
Alsike	1935	59,100	1.54	91,000	6.15	559,700
	1936	78,600	1.30	102,000	6.96	712,000
Sweet Clover	1935	290,000	2.39	693,000	4.28	2,966,200
	1936	309,400	1.94	599,000	4.97	2,978,000
Total Acreage	1935	9,106,000		Total Value		132,207,700
Total Acreage	1936	9,118,900		Total Value		166,288,000

The acreage devoted to other crops in 1936 was: orchards, 184,218; strawberries, 8,962; vineyards, 15,318; other small fruits, 13,549; summer fallow, 41,642; pasture (cleared), 2,828,310. Figures for 1935 and 1934, respectively, were: 186,112 and 196,612; 8,861 and 8,253; 14,871 and 15,106; 13,380 and 13,126; 189,883 and 210,525; and 2,831,416 and 2,908,275.

Tobacco—It was estimated that 45,746 acres were grown in 1936, with a yield per acre of 776 lb. and a total value of $35,500,000. In 1935 the area grown was 41,428 acres, yield 1,171 lb. per acre and total value $48,492,220.

In 1934 it was estimated that 32,300 acres were grown, yielding 31,400,000 lb. or 940 lb. per acre. During the years 1936, 1935, and 1934, respectively, Burley accounted for 7,996 acres, 8,223 and 6,740; flue-cured, 35,500, 30,905 and 24,260; and dark types, 2,250, 2,300 and 1,300.

Rape—The estimate for 1936 was 13,385 acres of which 4,362 were in Wellington County; 2,165, in Grey; and 2,397, in Dufferin. Figures for 1935 and 1934, respectively, were 13,770 and 14,988; 4,596 and 5,422; 1,938 and 1,863; and 2,431 and 2,250.

The Agricultural and Horticultural Societies Branch reported that in 1935 there were 315 active Agricultural Societies, four operating the previous year remaining dormant and two new societies being organized. Fall Fairs showed an increase over the previous year, numbering 297. Climatic conditions and other factors contributed to reducing the number of exhibitions and, in some cases, the attendance. The number of field crop competitions increased from 36 in 1934 to 66 in 1935 with 879 entries. Societies participating in grants for Spring Seed Fairs increased from 8 in 1934 to 23 in 1935. Several of the prize winners in York County were managing farms which had been operated by the same families for 100 years and one competitor had a family record in this respect of 140 years. There were 269 active Horticultural Societies, 13 societies dissolved and 8 new groups were organized in 1935.

The Report of the Live Stock Branch for 1935-36 recorded a decided upturn in horse-breeding with fairly high prices and a great demand for horses for farm purposes. The stallion enrolment reached 1,300 during the season of 1935, an increase of 300 over 1932; 102 carried A premium certificates, and 72 carried B premium certificates. The enrolment showed an increase of 100 over that of 1934. In the cattle industry a decided change took place during the fiscal year 1935-36. Ontario farmers purchased 157,000 cattle for feeding purposes, as compared with 51,000 the previous year. The exporting of cattle to the British market practically ceased during the first few months of 1935 but shipments were resumed during the early part of 1936. Government assistance was given during the year to sixteen sales of pure bred stock consisting of 399 tubercular tested cattle and 60 untested cattle.

During the fiscal year ended Mar. 31, 1936, some 67 Women's Institutes were organized making the number of active branches 1,347 with an approximate membership of 42,000. At the close of the 1935 period the membership of 1,371 branches then active was 42,000. In 1934, there were 1,269 branches with a membership of 36,647. Informative conventions held in 13 districts in 1935 and 1934, respectively, were attended by 3,700 delegates and 3,760.

The fruit-raising industry experienced a disastrous Winter in 1933-34 necessitating replanting on a large scale in 1935. Injury was most severe in peaches and apples. There were 2,796 orchards inspected of which 975 or 34.9 per cent. showed some infection; this was a reduction of 7.3 per cent. of infection as compared with 1934. Over two-thirds of the reported cases of infection were marked as light. In 1935 two new cold storage plants and an addition to an existing plant added a refrigeration capacity of 80,000 bushels, making the total available storage in the producing districts 800,000 bushels. In addition to this, packing houses had frost proof storages capable of holding 500,000 bushels, suitable for handling early Winter varieties of fruit.

The number of cheese factories fell from 713 in 1934 to 704 in 1935. The production of cheese was 70,428,997 lb. in 1934 (May 1 to Dec. 31) and

75,505,825 lb. in 1935. Creameries showed an increase, numbering 328 in 1934 and 333 in 1935 with a production of 80,423,419 lb. in 1934 and 83,216,568 lb. in 1935.

The Agricultural Representatives Branch reported increased interest by farmers in soil and crop improvement in 1935-36. Up-to-date seed cleaning plants had been established in 58 localities. Progress was made in weed control. Assistance was given in the solution of marketing problems. Rural School Fairs to the number of 520 were held in 1935 with an attendance of 304,228; in 1934 with 507 fairs the attendance was 321,484. The number of boys' and girls' clubs increased from 285 in 1934 to 423 in 1935. One hundred and eleven short courses in agriculture and home economics were held with an enrolment of 4,474.

The Ontario Commissioner of Agricultural Loans reported that collections of both principal and interest during 1935-36 showed an increase of $503,665.40 over the corresponding 12 months. Out of 16,504 mortgages 75.4 per cent. made payments of some amount during the year. Arrears of interest outstanding amounted to $4,569,480 and arrears of principal $4,343,573 making a total of $8,913,053. During the year 507 farms were taken over and 333 disposed of. In many cases principal payments were waived for three years and interest fixed at four per cent.

The Ontario Commissioner of Marketing reported that the prices fixed for small fruits in Ontario under the National Products Marketing Act, 1934, were estimated by the Chairman of the Jam Marketing Board to have yielded growers an additional $20,000. The most constructive and progressive movement in the cheese industry was the organization of a Local Cheese Marketing Board in June, 1935, after three years of educational effort. It was realized that if the cheese industry could be restored to its former proportions, the so-called surplus milk problem would disappear. Altogether seven Local Marketing Boards were set up as follows: The Fruit Export Board of Canada, the Ontario Flue-Cured Tobacco Marketing Board, the Western Ontario Bean Marketing Board, the Eastern Canada Potato Marketing Board, the Ontario Cheese Patrons' Marketing Board, the Canada Jam Marketing Board, and the Ontario Burley Tobacco Marketing Board. The validity of the Marketing Act having been called in question, it was made the subject of a reference to the Supreme Court.

In the Second Annual Report of the Milk Control Board of Ontario, the progress of the work of the Board was summarized as follows: "the Board now has a recognized place in the milk industry, licensing of milk distribution is established to the place where irresponsible dealers and unsanitary plants can be controlled; producers' losses from unpaid accounts reduced to a minimum; incorrect payments checked and adjustments made; and price improvements maintained, with further gains."

A survey of the agricultural outlook in Ontario issued by the Department in March, 1936, stated that more than 39 per cent. of the population lived on 192,000 farms, of which the products in 1935 were valued at over $300,000,000.

Mines

The Forty-sixth Annual Report of the Department of Mines, presided over by the Hon. Paul Leduc, with T. F. Sutherland as Deputy Minister, reviewed the year 1936. A general survey prepared by A. C. Young stated that the total Ontario production of minerals in the year under review was $184,670,390 which exceeded the record of any previous year. Figures for 1935 were $159,580,955 and 1934, $145,854,173. The metal group showed

a marked increase, totalling $165,231,519, a gain of $22,342,954 over 1935 and $13,615,532 over 1934. The improvement in 1936 was due mainly to a most active gold mining and milling programme and an expanded nickel-copper industry. The comparative value of Ontario's (Canadian value) gold production for three years was: 1936, $83,308,179; 1935, $78,068,169; and 1934, $72,808,688. The advance in nickel for the three years was also notable, production reaching $43,876,525 in 1936 as compared with $35,345,103 in 1935 and $32,139,425 in 1934. Copper (metallic and in matte) showed production of $26,898,920 in 1936; $19,295,965 in 1935; and $14,822,704 in 1934. Platinum metals yielded: $7,802,997 in 1936; $5,407,392 in 1935; and $6,187,992 in 1934. Silver came next in importance with a production of $2,325,850 in 1936; $4,068,906 in 1935; and $2,600,393 in 1934. The output of cobalt increased to $803,580 in 1936 from $512,705 in 1935 and $592,497 in 1934. During the three years the output of selenium grew from $91,286 in 1934 to $144,697 in 1935 and $188,151 in 1936. Mineral production in 1936, 1935 and 1934, respectively, also included: tellurium $18,049, $28,550 and $25,599; chromite $5,070, $9,576 and $480; bismuth $3,516, $6,796 and $3,444; and lead, in ore, $682, $706 and $525. Non-metallic substances produced in 1936 aggregated $8,933,036 as compared with $7,766,657 in 1935 and $7,553,571 in 1934. The outstanding item was natural gas showing $6,054,294 in 1936; $4,894,353 in 1935; and $4,741,368 in 1934. Salt accounted for $1,557,078 in 1936; $1,698,500 in 1935; and $1,734,196 in 1934. Crude petroleum production was $348,767 in 1936; $346,156 in 1935; and $299,874 in 1934. Increases were shown in 1936 in the production of graphite, iron pyrites and sulphur, mica, peat fuel, quartzite and quartz, silica brick and talc and soapstone. Structural materials added $8,931,899 to the mineral production of 1936 as compared with $7,555,508 in 1935 and $7,766,563 in 1934. The value of clay products in 1936 was placed at $1,573,936; in 1935 at $1,370,225; and in 1934 at $1,261,006. During the ten-year period from 1926 to 1936 Ontario mineral production increased in value from $85,098,111 to $184,670,390, bringing the total estimated and recorded yield of Ontario mines up to $2,533,795,575.

Employment in both gold and nickel-copper mining reached a peak in 1936, with a greater number of claims recorded than in the previous year. Public interest in mining in Ontario was reflected by the fact that in 1936 there were 294 mining companies incorporated and licensed with a nominal capital of $724,615,000 as well as 46 "no par" companies with 54,974,000 shares. This was in addition to 116 companies incorporated in 1935 with a nominal capital of $205,320,000 and 24 "no par" companies with 18,054,500 shares. In 1934, there were 212 companies incorporated with a nominal capital of $488,335,000 and 82 "no par" companies with 86,183,000 shares.

Lands and Forests

Activities of the Department of Lands and Forests for the fiscal year 1935-36 under the direction of the Hon. Peter Heenan covered a period of twelve months, whereas the previous Report, owing to the change in the fiscal year from October to March, dealt only with five months' operations from Nov. 1, 1934, to Mar. 31, 1935. For purposes of comparison, therefore, it would be necessary to turn to the Report for 1934, being a record of the twelve months ended Oct. 31 in that year. In the new fiscal year 1935-36 (Apr. 1, 1935 to Mar. 31, 1936) the gross revenue was $3,328,351; deductions amounted to $446,702, showing a net revenue of $2,881,649. The disbursements totalled $1,593,469. For the five-month period of 1934-35, the gross revenue was $699,806; deductions, $73,025; net revenue,

$626,781; and net disbursements, $562,147. In 1933-34 the gross revenue was $2,258,321; deductions, $420,522 leaving a net revenue of $1,837,799. During the same year the net disbursements were $2,152,851. A gratifying increase in the revenue from forest resources was reported in 1935-36. In the year 1935-36, the area covered by timber licence was 13,300 square miles; in the 5-month period, the area was 8,724 square miles; and in the year 1933-34, 10,407 square miles. The total accruals from timber cut in 1935-36 were $2,342,105; in 1934-35, $479,630; and in 1933-34, $1,637,710. This increase in 1935-36 of 43 per cent. over 1933-34 reflected the increased cutting of all species and classifications. Timber sales in 1933-34 totalled 19; and in 1935-36, 80. Exports of pulpwood were approximately the same in the two years dealt with, being 283,679 cords in 1935-36 and 287,069 in 1933-34. Increased employment accompanied the revival of the industry. In 1933-34 there were 11,184 employees; in 1934-35 there were 14,550; and in 1935-36 the total rose to 17,543. Bush operations for the fiscal year 1935-36 included the cutting of 170,000,000 feet of log timber which was 85 per cent. greater than the record of 1933-34. In the same period ties increased from 436,000 to 753,000 and pulpwood accounted for 604,587 cords, an increase of 100,000 cords.

Under the Dominion Relief Land Settlement Act, 1932, some 600 prospective settlers received transportation to Northern Ontario in 1935-36 for the purpose of settling on the land. Of the total number, 42 left the land without any attempt to settle. For various reasons, 93 others during the period gave up their locations. At March, 1936, 465 families, numbering 2,325 individuals, were on the land. They occupied 36,178.78 acres of which 4,258.50 acres had been cleared and 3,435 acres cultivated. The 1936 Report showed substantial increases in the number of head of live stock and 1,000 additional acres cleaned up. While the Department considered it too early to venture an opinion on the success of the movement it was noted that the settlers enjoyed many advantages over their former circumstances, that they had a pride in the sense of ownership, better health, ready tasks, and no fuel or rent problems.

During 1935-36 forest fires to the number of 1,309 burned 250,662 acres as compared with 1,568 fires in 1933-34, burning 198,633 acres. The origin of forest fires in 1935-36 and 1933-34, respectively, included the following: campers, 26.1 per cent. and 23.7 per cent.; smokers, 22.8 per cent. and 13.4 per cent.; settlers, 12.8 per cent. and 9.8 per cent.; incendiaries, 12.8 per cent. and 4.1 per cent.; lightning, 7.7 per cent. and 31.6 per cent.; railways, 2.8 per cent. and 2.0 per cent.; and logging operations, 2.4 per cent. and 2.2 per cent. There were no forest fires during the five-month period of 1934-35. The Forestry Branch reported 10,738,732 trees planted permanently in 1935 of which 6,123,904 were for reforestation and 1,320,993 for windbreaks. Highway planting called for 632,057 trees. The expenditure of the Forestry Branch, less refunds, was $826,385 in 1935-36 and $1,522,155 in 1934.

(For Northern Development see Department of Highways)

Game and Fisheries

The Twenty-ninth Annual Report of the Department of Game and Fisheries covered the activities of the fiscal year ended Mar. 31, 1936, and also the five months ended Mar. 31, 1935, under the direction of the Hon. H. C. Nixon, with H. J. Taylor as Deputy Minister. Comparative tables submitted omitted reference to the broken five months period. The revenue reported for 1935-36 amounted to $683,939 of which $358,852 was derived from game, $297,865 from fisheries, and $27,222 from other

sources including guides licences, fines, sales, rent and commission. This revenue exceeded the record of 1933-34 by $139,200, representing an increase of more than 25 per cent. Non-residents paid an addition of $72,000 for angling licences and also an addition of $27,000 for hunting licences. The total expenditure of the Department during 1935-36 was $451,042, showing a surplus of $232,896.81 for the year. In 1933-34 the revenue was $544,738 and the expenditure $556,267, showing an adverse balance of $11,529.

In a survey of the game life of the Province conditions were shown to vary greatly in different parts of Ontario. Generally speaking, where there was adequate protection and suitable conditions the outlook was favourable. In Northern Ontario deer were plentiful, and to a less extent in sections of Southern Ontario not closely settled. Moose were found in fair numbers increasing in the East. Caribou were extremely scarce. Elk were probably increasing. Partridge were considerably fewer than normal. Pheasants were well established in Southwestern Ontario, the Department having distributed 17,430 eggs during the year for hatching. Rabbits were plentiful. Among the fur-bearing animals, bears were fairly numerous in Northern Ontario. Beaver, of which the trapping is prohibited, showed some improvement. Foxes were plentiful. Lynx were extremely scarce. Marten, mink and muskrat were diminishing in certain sections. Otter, generally, were unchanged, with improvement in Northeastern Ontario. Squirrels and skunk were increasing.

The number of pelts taken in 1935-36 was 613,057 as compared in 1933-34 with 780,679. Based on average prices the value to the furtrapper of the fur catch of 1935-36 was estimated at $1,906,121, and for 1933-34, at $1,595,669. These figures do not take into account silver, black and blue foxes and mink, the product of licensed fur farms. During the year 1935-36 there were 21,318 silver and black fox pelts and 9,641 mink pelts either exported or tanned with an estimated value of $827,451. Bounties were paid on 2,905 wolves destroyed in 1935-36 and 1,859 in 1933-34.

The Report on fish culture noted that Ontario's excellent game fishing continued to be the chief attraction to the tourist trade which brought $84,000,000 to the Province in 1935. To maintain the high standard of the fisheries the Department in 1935-36 distributed 655,747,231 eggs, fry, fingerlings, yearlings, and adults; in 1933-34 the distribution reached 796,619,193. The yield of fish was reported at 35,215,987 lb. in 1935 and 31,232,977 lb. in 1934. The estimated value of the fish yield was $2,633,512 in 1935, and $2,316,965 in 1934. The Department operated 19 fish hatcheries in 1935, nine trout rearing stations and three bass rearing stations in addition to the facilities for hatching bass in the Lake of the Mountain, Glenora Hatchery.

Public Works

The Report of the Minister of Public Works, the Hon. T. B. McQuesten, for the twelve months ended Mar. 31, 1936, dealt with ordinary expenditures of $552,120 and capital expenditures of $259,204 making $811,324 in all. The revenue was $8,976 ordinary and $114,479 capital, aggregating $123,456. Maintenance and repairs of Government buildings cost $470,550 of which Government House accounted for $21,237. During the year the Department built 50 timber bridges, 4 of steel and 12 of concrete, in addition to necessary repairs to 32 timber bridges. For the year ended Oct. 31, 1934, the Department expended $772,288 on ordinary and $811,668 on capital account making a total outlay of $1,583,956. The revenue was $8,901 ordinary and $14 capital aggregating $8,915. Maintenance and repairs to Govern-

ment buildings cost $591,249 including $29,878 for Government House. During the year 101 municipal bridges were constructed consisting of 7 steel bridges, 42 of concrete, 26 of timber and 26 of metal pipes.

Highways

The Minister of Highways, the Hon. T. B. McQuesten, reported for the year ended Mar. 31, 1936, an expenditure of $8,459,036 including: $4,443,970 for the King's Highways; $1,834,186 grants to counties; and $1,275,249 grants to townships. The revenue, which was $26,082,363 was derived chiefly from: gasolene tax, $15,021,993; motor vehicles, $9,144,264; and road assessments, $1,768,343. For the year ended Oct. 31, 1934, the expenditure was $14,333,571 including: $11,195,806 for the King's Highways; $1,463,519 grants to counties; and $1,000,058 grants to townships. The revenue was $21,102,160 derived chiefly as follows: gasolene tax, $12,-961,343; motor vehicles, $8,049,714; permits, garages, signs, pumps, etc., $61,736. Permits issued in 1936, 1935 and 1934, respectively, were: automobile, 514,211, 489,610 and 470,617; commercial, 70,693, 67,590 and 64,436; trailer, 27,930, 24,232 and 19,871; operators, 542,960, 510,513 and 482,933; instruction, 86,785, 77,378 and 69,638; chauffeurs, 211,606, 196,111 and 181,949; public vehicles, 695, 597 and 513; and public commercial vehicles, 6,231, 4,834 and 4,086.

At the end of 1936 there were 3,743.61 miles of the King's Highways of which 1,444.87 miles were concrete pavement, 272.62 miles asphaltic concrete and the balance either macadam or gravel.

The Minister of Highways had also the direction of the Department of Northern Development which expended $13,677,835 in the fiscal year 1935-1936. Of this sum $8,807,779 was used for unemployment relief works including building of the Trans-Canada Highway. During the fiscal year ended Oct. 31, 1934, the Department expended $23,800,851 of which $20,-340,270 was for unemployment relief works.

Labour

The 7th Report of the Department of Labour, under the direction of the Hon. David Croll, with J. F. Marsh as Deputy Minister, dealt with the work of the fiscal year 1935-36. Employment conditions, it was stated, showed continued improvement, the index number average being 104.1 for 1935-36 as compared with 102.9 for 1934-35 and 99.5 for 1933-34. The index number was based on the average for the calendar year 1926 as 100. Industrial disputes reported on in 1936 numbered 50 involving 9,120 workers. Settlements were arrived at in all but seven disputes of which two were partially successful and five unterminated. The volume of unrest indicated a decided decrease as compared with 1934 when there were 94 disputes involving 18,198 employees. Of these disputes 64 were settled; in 27 instances efforts to settle were only partially successful, and three disputes remained undetermined at the close of the year. The aggregate time-loss through strikes in 1936 was 78,511 working days and in 1934 the loss was 256,311 working days.

There were 140,265 placements made in 1936 through the Employment Service, which received 326,857 applications for work. In 1934 the number of placements was 209,870 and 409,139 applications for work were recorded. A revival of activities under the Apprenticeship Act took place in 1936 when 107 apprentices were indentured and 330 were in training. Since the Act became effective 1,806 apprentices were registered and 1,042 received diplomas. Several additional trades were added to the designated list during the year.

The Minimum Wage Board investigated 887 complaints of underpayment of wages, or other violations of the Act in 1935-36. Analysis of the wage returns revealed necessary adjustments or underpayments in 1,166 establishments affecting 2,604 employees. Arrears of wages amounting to $29,778 were collected from 593 employers. In 1933-34 complaints were received from 790 persons in consequence of which the Board collected arrears of wages from 664 employers amounting to $51,932 for 1,601 girls and women. The reduction in the amount collected was attributed to the fact that most of the employers from whom arrears were previously collected had since been paying minimum wages.

Health and Hospitals

The Twelfth Annual Report of the Department of Health, under the direction of the Hon. J. A. Faulkner, M.D., with B. T. McGhie, M.D., as Deputy Minister, surveyed the work of the Department for the calendar year ended Dec. 31, 1936. Emphasis was placed in the Report on the more effective control of tuberculosis by the extension of the diagnostic service through the establishment of three new clinic centres. A better approach to the study of the value of the programme for cancer treatment was afforded by the appointment of the Medical Statistician. The burden of the cost of insulin had been materially reduced to the Province by requiring municipalities to assume 25 per cent. of the expense in the case of patients resident therein who were unable to secure the treatment.

During the year 1936, 108,842 cases of communicable disease were reported as against 113,995 for 1935 and 42,235 for 1934, the increase in 1935 being largely due to the increase in incidence of chickenpox, german measles, measles and mumps. In 1936, there were 251 instances of typhoid fever, with 39 deaths, the lowest incidence rate ever reported in the Province; in 1935, there were 310 cases; and in 1934, 547. In 1936, for the first time on record, there were no cases of smallpox; in 1935, there were 7; and in 1934, 1. Scarlet fever continued to be an important cause of illness in 1936 with 8,927 cases; in 1935, 7,425; and in 1934, 6,057. Poliomyelitis showed an increase of 100 cases over the previous year, 1935, but a decrease of 118 cases from 1934; the record for 1936 being 208 cases with 23 deaths. The continued epidemic of measles resulted in 26,429 cases, a decrease of 18,000 from the previous year, 1935, and an increase of 24,037 cases over 1934, when a remarkably low incidence of measles was reported; 84 deaths were recorded in 1936. There were 7,890 cases of whooping cough with 111 deaths in 1936, a slight increase over 1935 and 1934. Undulant fever cases numbered 127, with 2 deaths; the increase of 41 cases over 1935 indicated the need of more efficient pasteurization. Cerebrospinal meningitis cases totalled 52, an increase of 20 over 1935; but no epidemic occurred anywhere, however. In 1936 diphtheria reached the lowest incidence ever recorded in the Province, namely 290 cases with 31 deaths; figures for 1935 were 361 and 1934, 371. Since 1923 there had been 431,311 children immunized against diphtheria in schools and preschool clinics. There were 91 cases of dysentry of the bacillary type, resulting in 34 deaths, reported in 1936; the problem presented called for particular attention and efficient control. In 1936, 18 Venereal Disease Clinics were maintained with Provincial grants, and 166,596 cases treated; in 1935, 12,130 cases were treated; and in 1934, 191,123.

In the year 1935 the two Departments of Health and Hospitals were co-ordinated into the Department of Health, when Dr. W. J. Bell, former Deputy Minister of Health and Dr. J. W. S. McCullough, former Chief Health Inspector, retired from the service. Dr. B. T. McGhie, Deputy

Minister of Hospitals, was appointed Deputy Minister of the amalgamated Department of Health. In November, 1934, on the invitation of the Minister of Health, a Cancer Committee was formed for the purpose of advising the Department regarding the Cancer problem. The personnel of the Committee consisted of authorities on the related subjects chosen mostly from the various university centres throughout the Province.

At the close of the fiscal year, Mar. 31, 1936, there were 12,750 patients in the mental hospitals in addition to 726 on probation and 392 being supervised in approved boarding houses, making the total number of patients 13,868. On Mar. 31, 1935 (end of new fiscal year), the total number of patients on the books was 12,878 and on Nov. 1, 1934 (end of former fiscal year), the corresponding number was 12,883.

The Sixty-Seventh Report upon Hospitals and Sanatoria dealt with the year ended Sept. 30, 1936. The Report covered the work of 168 public institutions, and 68 private institutions. The 1935 and 1934 Reports, respectively, covered 164 public and 79 private; and 162 public and 89 private. In the various public institutions dealt with, 268,720 patients were treated during 1936; 255,408 during 1935; and 238,604 during 1934. The total revenue in 1936, including income from patients, Government and municipal grants and donations, was $15,461,781 and the total cost was $14,282,656. Figures for 1934-35 and 1933-34, respectively, were, $15,083,715 and $14,332,373; and $13,438,813 and $12,761,304. The daily average *per capita* cost was $2.94. In 1935 the *per capita* cost was $2.84; and in 1934 the *per capita* cost was $2.81.

The Registrar-General: Vital Statistics

The Sixty-Seventh Report of the Registrar-General, the Hon. H. C. Nixon, brought the official information regarding births, deaths and marriages down to and including the calendar year 1936. There were registered 62,451 living births in 1936, being a rate of 16.9 per 1,000 of population and a numerical decrease of 618. For the year 1935 there were registered 63,069 living births, being a rate of 17.5 per 1,000 of population or a numerical increase of 835. For the year 1934 there were registered 62,234 living births, being a rate of 17.5 per 1,000 of population and a decrease of 1,412. In the year 1933 the living births numbered 63,646 being a rate of 18.1 per 1,000 of population and a decrease of 3,196.

The deaths recorded during these four years and the ratio per 1,000 of population were: 1936, 37,571 and 10.2; 1935, 36,317 and 10.1; 1934, 35,119 and 9.9; 1933, 35,301 and 10. The leading causes of deaths in 1936 and preceding years 1935 and 1934 were: organic heart trouble, pneumonia, influenza, tuberculosis, cancer, violent or accidental deaths, diseases of the arteries, nephritis, cerebral hæmorrhage, cerebral embolism and thrombosis. Violent or accidental deaths increased from 2,278 in 1933 to 2,535 in 1934; 2,672 in 1935; and 3,294 in 1936 (tuberculosis showed a decrease; cancer and diseases of the arteries increased). In 1936 there were 398 suicides, in 1935 there were 367, in 1934 suicides numbered 360 and in 1933 the number was 366.

Marriages, and the ratio per 1,000 of population, were recorded as follows: 1936, 27,734 and 7.5; 1935, 26,843 and 7.5; 1934, 25,874 and 7.3; 1933, 22,587 and 6.4. Divorces in 1936 numbered 514; in 1935, 491; in 1934, 365; and in 1933, 308. In 1936 there were 174 divorces granted to men and 340 to women; in 1935 there were 180 divorces granted to men and 311 to women. In 1934 there were 105 divorces granted to men and 260 to women. In 1933 divorces granted to men numbered 127 and to women, 181.

Public Welfare

The Minister of Public Welfare, the Hon. David A. Croll, reported for the fiscal year 1935-36 on the operation of the various Branches of the Department. The Old Age Pension list, which continued to grow, had 54,040 pensioners who received $11,248,706. Towards this amount the Dominion was chargeable with $8,419,358; the Province, with $1,770,885; and the municipalities, with $1,026,936; and other Provinces, $31,536. At the end of the fiscal year 1933-34 there were 48,928 pensioners, who received $10,001,478. Of this sum $7,571,593 was chargeable to the Dominion; $1,588,295 to the Province; and $927,015 to municipalities.

Mothers' Allowances became payable in 1936 to mothers with one child. The families benefiting by the change numbered 2,688 and received $507,552. The total number of beneficiaries on Mar. 31, 1936, was 10,413 who received $3,946,816. Of this sum $2,133,489 was payable by the Province and $1,813,326 by municipalities. On Oct. 31, 1934, Mothers' Allowances were being paid to 8,144 families with a net disbursement of $3,026,155 of which $1,640,257 was chargeable to the Province and $1,385,897 to municipalities.

Children's Aid Societies dealt with 23,393 children in protective work during 1935-36. There were 12,187 children directly under the care of Children's Aid Societies of whom 7,982 were wards. Adoptions showed a slight increase. During the year 1935-36, 2,166 cases were dealt with under the Unmarried Parents' Act as compared with 1,954 in 1933-34. The Soldiers' Aid Commission dealt with 4,287 cases in 1936, had 133 wards under its care and disbursed $20,578. In 1934 the Commission dealt with 5,352 cases, took care of 584 wards and disbursed $28,874.

The Minister reported that in 1935-36 unemployment relief was still engaging the attention of the Department as a major problem but that conditions were improving. Returns for the five months from Nov. 1, 1934, to Mar. 31, 1935, showed that during that period the Province expended $10,823,978 for direct relief and received $3,309,219 for relief purposes from the Dominion Treasury. The gross expenditure on direct relief and relief works was $11,751,675. In March, 1935, there were 418,142 persons on relief. During the twelve months ended Oct. 31, 1934, the gross expenditure on direct relief and relief work, including administration, was $30,604,035; and the number of persons on relief at the close of the fiscal year was 355,134. The Dominion refunded $10,799,822 of the Provincial expenditure.

The Attorney-General

Besides attending to the legal affairs of the Province, the Attorney-General, the Hon. Arthur W. Roebuck, K.C., administered several important Branches of the Provincial Service in 1936. The Registrar of Loan Corporations reported that the total assets of loan corporations at the end of the calendar year 1936 amounted to $206,857,598, being a decrease of $6,597,000 as compared with a decrease of $6,400,000 in 1935 and $3,000,000 in 1934. Total debentures outstanding amounted, in 1936, to $107,300,000, being a decrease of about $300,000. Trust deposits amounted to $31,817,000, a decrease of $400,000. The total assets held for trust company funds (exclusive of estates, trusts and agencies) amounting to $57,900,000, showed an increase of $2,800,000; while total guaranteed fund assets amounting to $140,900,000 increased by $10,200,000. Estates, Trusts and Agencies increased $98,000,000 in 1936 to a total of $2,341,000,000. Mortgages held by loan corporations amounted to $151,600,000 with interest due and unpaid

amounting to $3,600,000; and mortgages held by trust companies represented $85,100,000 on which interest to the sum of $4,600,000 was due and unpaid. Real estate holdings of loan companies amounted to $10,145,000, an increase of $1,595,000 for the year; and of trust companies, $8,760,000, an increase of $1,610,000 over 1935. Dividends paid by loan companies represented 4.35 per cent. of the shareholders equity and by trust companies, 3.81 per cent. of the shareholders equity, the percentages being the same as those reported in 1934 and 1935. The liquid position of loan and trust companies which accepted deposits was well maintained. Regarding mortgages two or more years in arrears of interest, it was pointed out that many of the companies had substantial internal investment reserves, which they claimed were sufficient to provide against any anticipated loss in realization. In October, 1935, R. Leighton Foster, K.C., Superintendent of Insurance and Registrar of Loan Corporations for nearly twelve years, resigned to take up other work and was succeeded by Hartley D. McNairn. High tribute was paid to Mr. Foster's ability and efficiency in the discharge of his duties.

The Workmen's Compensation Board (George Wilkie, K.C., Chairman) reported that it dealt with 61,382 accidents during the calendar year 1936, as compared with 58,546 during 1935 and 54,730 during 1934. During the three years the benefits paid were: $5,643,798 in 1936; $5,314,112 in 1935; and $4,499,707 in 1934. During 1935 the length of time for which compensation was paid per accident to an injured workman was 29.86 days, and during 1934 the period was 25.95 days. The average weekly wage on which compensation was based in 1935 was $17.60, and in 1934 the average was $16.36. In 1935 there were 208 death cases, and in 1934 these cases numbered 211. The average rate of assessment in 1936 for all classes in Schedule 1 was $1.50 on every $100 of pay roll; in 1935 the average was $1.35; and in 1934 it was $1.16. Since the commencement of the Act down to 1936 the average assessment was $1.19. As of Dec. 31, 1936, the book value of the investments of the Commission for Schedule 1 was $27,747,395 and for Schedule 2 it was $3,550,185; at Dec. 31, 1935, the figures were $25,545,436 and $3,463,564, respectively. The corresponding figures as of Dec. 31, 1934 were: Schedule 1—investments, $23,920,046 and Schedule 2—investments, $3,456,862. Schedule 1 embraced industries under the collective liability system; and Schedule 2, industries under individual liability.

Municipal Affairs

Since 1882 municipal statistics have been published by Ontario. On the creation in 1934 of the Department of Municipal Affairs, under the direction of the Hon. David Croll, a more adequate plan was adopted. Although the figures gathered from municipalities are not, in some instances, either complete or accurate, it is believed by the Department that the summary totals obtained are close to the facts. During the three years under review the total debts were as follows: 1936—local municipalities, $416,985,960; counties, $14,560,523; 1935—local municipalities, $445,885,175; counties, $15,768,007; 1934—local municipalities, $467,419,628; counties, $16,515,072. The debt *per capita* of local municipalities was: in 1936, $124; in 1935, $134; and in 1934, $143. The proportion of debt to assessed value is given for 1936 at 14.3 per cent., and in 1935 at 15 per cent.

The assessed value of local municipalities in 1936 was $2,919,359,401; in 1935, $3,000,875,872; and in 1934, $3,025,011,441. The tax levy for municipal purposes by local municipalities was: $71,825,397 in 1936; $68,611,844 in 1935; and $70,314,466 in 1934. Including the tax levy for school purposes

the taxation aggregate of local municipalities in 1936 was $117,887,933; for 1935, $117,016,375; and in 1934, $116,257,062. The county taxation was: $11,023,763 in 1936; $10,495,511 in 1935; and $10,871,165 in 1934. Arrears of taxation in 1936 were $47,428,324 in the local municipalities, and $3,196,681 in the counties; in 1935, $55,756,945 in local municipalities, $3,836,216 in counties; and in 1934, $58,189,445 in local municipalities, and $4,402,799 in counties.

Regarding the sinking funds of local municipalities the Department gives the following particulars: 1936:—actuarial requirements, $56,118,953, book value, $58,294,088; 1935:—actuarial requirements, $52,929,869; book value, $56,833,480; 1934:—book value, $56,610,801. The various municipalities in Ontario in 1936 numbered 937, and were classified as follows: counties, 38; cities, 27; separated towns, 7; towns, (in Counties), 94; towns, (in Districts), 44; villages, (in Counties), 146; villages, (in Districts), 10; suburban and semi-urban townships, (in Counties), 21; semi-urban townships, (in Districts), 6; rural townships, (in Counties), 409; and rural townships, (in Districts), 135. The assessed area of all local municipalities was 25,425,708 acres; the assessed population, 3,350,139, which did not include the population of unorganized territories.

Ontario Municipal Board

The Thirty-First Report of the Ontario Municipal Board, under the direction of the Hon. David A. Croll, with E. W. Cross as Chairman, dealt with the work of the Board during the calendar year 1936. In that year there were 895 applications to the Board involving 143 public hearings. In 1935 there were 618 applications with 150 public hearings, and in 1934 the applications numbered 497. In 1935 municipalities were forbidden to proceed with any undertaking involving the issue of debentures without first receiving the approval of it from the Board. Under this legislation 417 applications were filed in 1936 involving municipal expenditures of $19,911,716. In 1935 such applications represented capital expenditures amounting to $14,399,404.

In 1936 the Board supervised the affairs of three defaulting municipalities: Town of Trenton, City of Windsor and Town of Sturgeon Falls. Plans for the refunding of the bonded indebtedness of the City of Windsor and the Town of Mimico were under consideration. In 1935 the Board issued orders respecting the supervision of ten municipalities as follows: Town of Weston, Township of North York, Town of New Toronto, Town of Thorold, Town of Kingsville, Township of Calvert, Town of Leaside, Town of Leamington, Township of Etobicoke, and Town of Blind River. Eight defaulting municipalities were brought under supervision in 1934 as follows: City of Niagara Falls, Town of Eastview, Town of Pembroke, City of Sudbury, Town of Fort Erie, Town of Walkerville, Town of Midland, and Town of Penetanguishene.

Down to 1934 the control and management of the financial affairs of twenty-four municipalities were vested in Committees of Supervisors under Chapter 27, Ontario Statutes, 1932. The Board granted permission in 1936 to eleven municipalities to the funding of $4,426,392 for direct relief costs. Debenture issues for unemployment relief measures amounting to $2,216,039 were approved. In 1935 the Board approved of applications for unemployment relief works involving debenture issues amounting to $3,306,268 and for direct relief, $6,040,080. In 1934 applications were approved involving debenture issues for unemployment relief works for $1,150,048 and for direct relief, $4,721,869.

During 1936 Provincial railways reported accidents with 1,263 persons injured and 24 killed. In 1935, 1,038 persons were injured and 17 killed. In 1934 there were 907 injured and 14 killed.

Prisons and Reformatories

The Report on these institutions attached to the Department of the Provincial Secretary, the Hon. H. C. Nixon, and managed by C. F. Neelands, Deputy Provincial Secretary, showed that in the year ending Mar. 31, 1936, there were 24,053 persons committed for trial as compared with 20,916 in 1933-34, and that in 1935-36 there were 16,356 sentenced to prison as compared with 13,509 in 1933-34. The increase in crime was attributed partly to the unemployment situation, and also to the increased number of repeaters among youthful prisoners. The proper treatment of adolescent offenders was the most important question before the penal authorities. In the six Ontario reformatories and industrial farms there were 5,736 persons in custody during 1935-36, and 5,431 during 1933-34. Commitments to the gaols, of which there were 47, numbered 24,053 in 1935-36 and 20,916 in 1933-34. From the reformatories, 4 prisoners escaped in 1935-36 and evaded recapture, and 29 prisoners who escaped were recaptured. In 1933-34 prisoners who escaped and evaded recapture numbered 13; escaped prisoners recaptured numbered 34.

The Hydro-Electric Power Commission of Ontario

The Twenty-Ninth Annual Report of the Hydro-Electric Power Commission of Ontario covered its operations for the year ended Oct. 31, 1936, under the Chairmanship of T. Stewart Lyon, with the Hon. Arthur W. Roebuck and the Hon. T. B. McQuesten as Commissioners. The record shows that in December, 1936, the primary load reached a peak of 1,390,880 horse power, that the corresponding peak in 1935 was 1,269,605 horse power and in 1934 it was 1,202,506 horse power. During these three years the distribution of primary and secondary power combined reached: 1,593,930 horse power in 1936; 1,576,335 horse power in 1935; and 1,596,084 horse power in 1934. Power generated and purchased in all systems in 1936 was 1,648,037 horse power, comprising 1,424,900 maximum normal plant capacity and 223,137 horse power purchased. In 1935 the power available was 1,957,684 horse power, comprising maximum normal plant capacity of 1,348,700 horse power and 608,984 horse power purchased under contracts. In 1934 the power available was 1,956,337 horse power of which 1,347,700 horse power was the maximum normal plant capacity and 608,637 horse power was purchased under contracts. The Report stated that "maximum normal plant capacity" could not be taken as an indication of dependable capacity owing to the possibility of abnormal variations of water supply and other operating limitations. There was a steady growth in the number of consumers served. In 1936 the consumers totalled 561,252 of whom 474,237 were classed as domestic consumers, 74,003 as commercial light consumers and 12,912 as power consumers. For the two preceding years the consumers all told numbered: 547,785 in 1935 and 541,377 in 1934.

These increases were reflected in the operating results for the years mentioned. In 1936 the revenue of the Commission reached $30,358,067 and the expenses were $29,677,953 leaving a net balance of $680,113. In 1935 there was a revenue of $29,085,571, an expenditure of $28,815,134, a net balance of $270,436. In 1934 the Commission's revenue was $28,213,252, expenditure $28,236,850, adverse net balance $23,598. Each year the municipalities concerned were credited with the surplus or charged with the deficit. The Northern Ontario power properties operated by the

Commission in trust for the Province had revenues of $2,242,238 in 1936, and after setting aside $639,275 for reserves had a deficiency of $48,531. In 1935 the deficiency was $388,054 and in 1934 it was $337,754 chargeable to the Province in each instance. Along with the growth of the business of the Commission, and the municipalities concerned, there had been an increase in the capital investments. These investments reached the sum of $413,709,811 in 1936 of which the Commission and the Province carried $297,864,134 and the municipal systems, $93,438,204. Accumulated reserves amounted to $165,473,742, the Commission's share being $90,285,772 and that of the municipalities, $75,187,970. In 1935 the total capital investment was $408,000,975 including $295,760,459 by the Commission and $91,-756,564 by the municipalities. In 1934 the total investment was $398,224,762; provincial, $287,387,957; and municipal, $91,675,564.

A new method of financing the capital requirements of the Commission and refunding maturing loans was adopted in 1935. Instead of depending upon the Province for funds the Commission was authorized to issue its own bonds guaranteed by the Province for these purposes. By virtue of this arrangement the Commission raised and paid to the Province down to Oct. 31, 1936, the sum of $22,813,942 thereby reducing its debt to the Province from $185,171,051 on Oct. 31, 1935, to $162,357,109 on Oct. 31, 1936.

The Chairman reported that on Nov. 1, 1935, the Commission ceased to take deliveries or to pay for 25-cycle-power under the cancelled Quebec power contracts. The 60-cycle-power contract with the Gatineau Company was re-arranged, the quantity being limited to 42,000 at a price of $12.50 per horse power. New contracts were drawn up with the Gatineau Power Company and the James Maclaren Company for a period of ten years under which the Commission took 100,000 horse power from the former company and 40,000 horse power from the latter company at $12.50 per horse power instead of the old contract price of $15.00. Under the revised contracts the cost of purchased power in 1936 was $2,824,228 as compared with the cost of power under the old contracts during 1935 which was $7,936,923 showing a decrease for the year 1936 of $5,112,695.

The continued extension of electrical services in the rural districts resulted in 1936 in power being delivered to 74,000 rural customers in 379 townships and 96 police villages. These communities were connected by a network of rural primary lines aggregating nearly 10,800 miles. In 1935 there were 67,802 rural consumers, and in 1934 about 64,000.

The Commission exercised supervision over 283 municipal systems in 1936 which had earnings of $34,408,163 and expenses of $30,248,777 with a net surplus, less depreciation, of $1,929,364. In 1935 the Commission reported on 284 local systems earning $33,009,939, spending $26,686,067 with a net surplus of $1,247,549. In 1934 local systems numbering 282 earned $31,970,390, spent $29,248,263, and had a net surplus, less depreciation, of $685,489.

The Temiskaming and Northern Ontario Railway

This Provincially-owned railway managed by a Commission, under the Chairmanship of Malcolm Lang, operated 438.48 miles of railway from North Bay to Moosonee, 76.21 miles of branch lines and other trackage bringing the total mileage to 664.70 at the end of the fiscal year 1935-36. In the fiscal year 1935-36 the system produced a revenue of $4,168,581 and after all expenses yielded a net profit of $792,012. In 1934-35 with a revenue of $3,874,614 the net profit was $260,559. In 1934 the railway with a revenue of $3,741,566 had a net profit of $245,647. The public investment in the undertaking amounted to $38,950,975, exclusive of

$4,762,743 invested in the Nipissing Central Railway which was operated at a loss of $17,797 in 1936. The Commission reported that the important mining, lumbering and agricultural territory served by the railway was forging steadily ahead.

Ontario Research Foundation

During the three years under review—1934-35-36—the Ontario Research Foundation continued and expanded the scientific research work for which it was established in 1928, and endowed with public and private benefactions aggregating $3,363,050. In 1936 the Chairman, Sir Joseph Flavelle, expressed satisfaction that the Foundation had succeeded in demonstrating what could be accomplished by scientific imagination and experimental skill, in facilitating better products, reduced costs, improved returns and more employment. A survey of the year's work by the Director, Dr. H. B. Speakman, indicated that the Foundation had been consulted by 181 firms; and, among other matters, had investigated: processes for the reduction of shrinkage in textile fabrics; a textile oil for use in the processing of woollen materials; a process for transferring pigment, used in the paint industry, from aqueous pastes to the oil phase; a process for the deodorization and partial hydrogenation of cod liver oil without destruction of the vitamin content; a new system of tannage for sole and belting leather, and a microscopic method for the early diagnosis of bovine mastitis. In addition, the Foundation provided personnel and equipment for testing installations for air-conditioning under known and controlled conditions. Inquiries and tests were made of the Matzka process, the low temperature method for the pasteurization of liquid foods and beverages, and a plant size unit was installed to demonstrate the type of product which could be made from milk, Canadian fruits and imported citrus fruits. In 1935 the Foundation was consulted by 140 firms and dealt with problems they submitted. In 1934 advantage was taken of the facilities of the Foundation by 108 firms. For these services the Foundation received $34,729 in 1936, $32,311 in 1935, and $24,439 in 1934, which, together with the income from investments, took care of its financial requirements averaging about $200,000 a year.

Motion Pictures

Inspection of motion picture films by the Board of Censors under the chairmanship of O. J. Silverthorne in the fiscal year 1935-36 dealt with 2,186 subjects of which 1,763 were approved as submitted, 415 were approved after certain deletions, and 8 were not approved. The record for the fiscal year 1933-34 was 2,161 subjects submitted, 1,309 approved as submitted, 816 approved after revisions and 36 rejected. A higher standard had been reached by reason of the action of the Hollywood producers in establishing in 1934 an administration whose approval was required before any films were released. British films submitted in 1936 numbered 109 of which 53 were feature films. In 1934 there were 150 British films submitted, including 58 feature films. Producers of foreign language films were notified in 1936 that "the true dialogue of all foreign language films must be inserted in superimposed English sub-titles, before submitting such films to the Board for approval." As a rule, where exception was taken by the Board to objectionable incidents, generally of a minor nature, its suggestions were carried out without any serious difficulty.

Liquor Control Board

The Tenth Report of the Liquor Control Board, under the ministerial guidance of the Hon. Mitchell F. Hepburn, Prime Minister, with E. G.

Odette as Chief Commissioner, dealt with the operations of the fiscal year ended Mar. 31, 1936. Sales of liquor during 1935-36 aggregated $49,335,011, of which $18,530,658 were by liquor stores, $29,396,420 by breweries, and $1,407,932 by wineries. For the twelve months ended Mar. 31, 1935, the total sales were: $42,436,944 of which $18,702,078 were by liquor stores, $22,630,930 by breweries, and $1,103,935 by wineries. For the twelve months ended Oct. 31, 1934, the sales were $36,093,657, including $18,979,821 by the liquor stores and $17,113,835 by breweries.

On Mar. 31, 1936, there were licensed 1,143 standard hotels, 85 veteran and labour clubs, 109 social clubs, 76 military messes, and 1 railway club. The corresponding figures on Mar. 31, 1935, were: 1,102 standard hotels, 81 veteran and labour clubs, 110 social clubs, 61 military messes, and 1 railway. From July 24 to Oct. 31, 1934, the following authorities were issued: 1,053 standard hotels, 173 clubs, 2 steamship companies, and 1 railway. During the same period from July 24 to Oct. 31, 1934 there were these cancellations: 41 standard hotels, 3 clubs. The number of resident permits valid at Mar. 31, 1936 was 70,215 and single purchase permits, 840,146. From Apr. 1 to Oct. 31, 1935, there were 65,356 resident permits valid and 1,007,297 single purchase. From Nov. 1, 1934 to Mar. 31, 1935, permits in force were 60,867 resident and 664,394 single purchase. For the twelve months ended Oct. 31, 1934, there were 178,517 resident permits, 102,008 beer and wine permits, and 77,602 single purchase permits.

For the twelve months ended Mar. 31, 1936, the Board reported a total profit of $7,862,719. The Board also had on hand accumulated profits from previous years amounting to $1,622,368. The total payments to the Provincial Treasurer were $8,335,000 of which the payment of $8,000,000 was on account of profits, $325,000 on account of permits and $10,000 on account of forfeited liquor. During the five months ended Mar. 31, 1935, the Board had a total profit of $2,595,880 and paid $2,500,000 to the Provincial Treasurer. For the twelve months ended Oct. 31, 1934, the total profit of the Board was $5,943,802 out of which $5,600,000 was paid to the Provincial Treasurer.

Miscellaneous Incidents, 1935 and 1936

The Housing project as submitted by the Bruce Report to the City of Toronto in 1934 attracted considerable attention during the succeeding two years. Eloquent appeals for action were made by the Lieutenant-Governor (the Hon. Herbert A. Bruce) who deplored what seemed to indicate a conspiracy of silence on the subject. The Mayor of Toronto (Mr. Simpson) gave the project his support and was hopeful that it would receive the assistance of the Dominion and Provincial Governments. On June 12, 1936, Mr. Hepburn advised the municipal authorities of Scarboro, York, and East York Townships that the Province would contribute $25,000 towards the erection of houses for small wage earners at an estimated value of $1,500 each. It was added that this was purely an experiment. Responding to an appeal for an executive housing centre in Toronto, the University authorities offered the free use of the premises at 86 Queen's Park for the purpose. After further consultation the Ontario Government's plan was enlarged to provide for the erection of two model workingmen's homes in the seven suburban districts adjoining Toronto at a cost of $40,000, the municipalities concerned to donate the land required. The work was begun on Aug. 21, 1936, when the Lieutenant-Governor turned the first sod for two houses on Warden Avenue, Scarboro, and a week later a similar ceremony took place in York Township. The Kiwanis Club of West Toronto completed and formally opened a model

house in West Toronto, Sept. 18. Early in June, 1936, the corporation of St. James Cathedral (Anglican) offered 15 acres in the Moss Park area of Toronto for housing purposes. Acceptance of the offer was deferred, pending action by the Dominion and Provincial Governments. The announcement was made on Sept. 27, 1936, by Mr. Croll that the Province had no money or plans to aid in slum clearance or low-cost housing projects in Toronto or any other large city. Its housing activities were to be confined to the housing experiments on a small scale in suburban areas. The matter came before the City Council of Toronto on Sept. 28 when application was made by the Toronto Housing Company for a loan of $100,000 to enable it to meet its obligations. The Company had built 240 houses in Toronto under the direction of the Housing Commission in 1920 and 163 houses remained unsold. It was unable to pay the interest on its bonds guaranteed by the City. The proposal to reorganize the Housing Commission as a preliminary move towards formulating a housing scheme was rejected by the City Council by a vote of 15 to 5 and the proposed loan was shelved. A Motion to establish a City Planning Commission was defeated by a vote of 13 to 6.

David Meisner was convicted on Feb. 6, 1935, at London and sentenced to 15 years' imprisonment for abduction, detention and armed robbery in connection with the Labatt kidnapping case (See *The C.A.R. 1934,* pp. 193-94.) An intensive police campaign to round up all who took part in the crime resulted in the arrest of Kingdon Murray of Covington, Ky.; Michael McCardell in Indiana; Basil Bannon of Windsor, Ont.; Gerald Nicholson of Muskoka District; and Russell Knowles of Detroit. When McCardell was arraigned at London on a kidnapping charge Aug. 2, 1935. he pleaded guilty, but entered a plea of not guilty to a charge of armed robbery. Afterwards McCardell signed a confession in which he declared that neither Meisner nor Murray had anything to do with the kidnapping. He named two other men as his confederates—Albert Pegram and Russell Knowles both of whom were at liberty. On the strength of McCardell's confession Murray was liberated on Aug. 27 and handed over to the immigration authorities for deportation to the United States after being seven months in custody. According to McCardell's story he and Pegram and Knowles were the actual kidnappers. Bannon had been in on the plan and shared in the efforts to obtain the ransom. Meisner had declined to participate in the plot. McCardell claimed to have information that Louis McCaughey, an employee of the Labatts, was to share in the ransom money, but denied that he had ever had any contact with McCaughey in that connection. The story was emphatically denied by McCaughey. Gerald Nicholson was found guilty (Sept. 9) of being an accessory after the fact and given five years' probation under a bond to report to the police monthly. Basil Bannon was convicted of kidnapping Oct. 26 and sent to prison for 15 years. McCardell's penalty was 12 years in the penitentiary, in view of his plea of guilty. Russell Knowles, Detroit salesman, was brought to trial for kidnapping in London, February, 1936. He contended that the affair was a friendly kidnapping, and a publicity stunt. If this were so, the presiding judge, Mr. Justice McTague, asked: "why the revolvers, the tear gas shells, the dog chain and padlock, the chaining of Labatt to a bed and taking his clothing from him, the blindfolding, and why did Pegram, one of the abductors, run away." Knowles was convicted and sentenced to 15 years' imprisonment. After a year in custody David Meisner was given a second trial at London in March, 1936, when Mr. Labatt testified that he had mistaken Meisner for McCardell. The jury brought in a verdict of acquittal.

The question as to whether the Canada Temperance Act, 1878 (the Scott Act) remained still in force in three counties in Ontario—Peel, Perth and Huron—was raised in 1935 in connection with a prosecution in Brampton for an alleged violation of the law. It was claimed that the operation of the Scott Act in these counties had been superseded by the enactment of the Ontario Liquor Control Act under the provisions of which authorities had been issued for the sale of beer and wines. The matter was referred by the Dominion Government to the Supreme Court of Canada which ruled that the Act was still operative in the counties named, but declined to pass on the constitutionality of the measure. Against this decision an appeal was taken by the Province to the Imperial Privy Council. The Privy Council sustained the view of the Supreme Court of Canada, but likewise held that the constitutionality of the measure was not properly before it. The appeal was therefore withdrawn by the Province, Nov. 27, 1935. Further proceedings to test the validity of the Canada Temperance Act were instituted in Peel County early in 1936 when the question was passed upon by County Judge Trevor H. Grant at Brampton. Judgment was given to the effect that the Canada Temperance Act, 1878, in its present form, was *ultra vires* of the Dominion Parliament and that, consequently, the Liquor Control Act was in force in the county. On Oct. 8, 1936, Mr. Hepburn announced that since no appeal had been made against the decision of the County Judge, it still stood, and that the Government would base their action upon it. He maintained, moreover, that no machinery existed for the enforcement of the Canada Temperance Act.

At the Annual Convention of the United Farmers of Ontario in Toronto Dec. 6, 1935, Resolutions were adopted urging that a plebiscite should be submitted before Canada undertook to participate in any war; that a tax of 100 per cent. on all incomes above living requirements should be imposed; that proportional representation should be established; and that prices of agricultural commodities should be fixed by governmental action. The retirement of R. J. Scott, of Belgrave, from the Presidency after five years service was announced and W. G. Nicholson of Underwood was elected to the vacant position. What was regarded as a new charter for the U.F.O. movement was considered and endorsed in principle at the Annual Convention of the United Farmers of Ontario in November, 1936. The declaration dealt with social and economic problems and the need of consumer co-operation. The formation of study clubs was advocated as a practical method of educating the rural population to a realization of their difficulties and the best methods of solving them. The statement called for democratic control of the economic affairs in order to bring them into harmony with democracy in political affairs. J. J. Morrison, founder of the U.F.O. movement, died in Toronto in his 75th year on Mar. 17, 1936, after a remarkable career. For twenty-one years he was Secretary-Treasurer of the U.F.O., which he had created, and its leading spirit. The fact that he was offered the premiership of Ontario when the U.F.O. achieved power, but declined it, gave him a unique position in Ontario.

Action was taken by the Ontario Provincial Council of the Co-operative Commonwealth Federation in May, 1936, to discipline Members and Branches which had participated in the May Day celebration in Toronto sponsored by the United May Day Conference which embraced, among others, representatives of the Communist party. Four members were named to be expelled from the C.C.F., namely: the Rev. Ben Spence, James M. Connor, Mrs. Jean Lang, and Arthur Williams, Reeve of East

York; and one member, Dr. Rose Henderson of Toronto, public school trustee, was reprimanded for addressing the gathering. Four groups of the C.C.F. in Toronto and neighbourhood were suspended in pursuance of the ruling of the Dominion Convention against any co-operation with other political organizations. The persons and clubs concerned appealed for a re-hearing of the case to the Provincial Council, emphasizing their loyalty to the organization and claiming that their expulsion had been based on misinformation. On Aug. 2 the Provincial Council unanimously reinstated the persons and clubs concerned, and expressed satisfaction that the threatened breach had been healed.

The Rt. Hon. Sir William Mulock, P.C., K.C.M.G., M.A., LL.D., K.C., Chief Justice of Ontario since 1923, Chancellor of the University of Toronto since 1924, and Postmaster-General (1896-1905) and Minister of Labour (1900-05) in the Laurier Cabinet, retired from the Ontario Bench on July 1, 1936. The announcement of the retirement of the ninety-two-year-old Chief Justice was made the occasion of many eulogistic references by the Press of Canada to his remarkable career as statesman and jurist. On Sept. 21, Sir William was presented with an address at the City Hall, Toronto, by the Acting Mayor, Mr. W. D. Robbins.

Action was brought in January, 1935, by the Ontario Hydro-Electric Power Commission against the former Hydro-Electric Power Commissioners, the Rt. Hon. Arthur Meighen and Mr. Alfred Maguire, and Messrs. I. B. Lucas and F. A. Gaby, to recover $4,553. The money was charged to have been spent in the preparation of a pamphlet entitled: "Paid-for Propaganda? Who Instigates Attacks on Hydro?" for the purpose, it was affirmed, of representing the Liberal Party as enemies of the Commission. The plaintiffs claimed that the expenditure was illegal and a breach of trust. The case was begun before Chief Justice Rose at Toronto on Oct. 15, 1936. The defence was in effect that from 1931 to 1933 certain articles and pamphlets were circulated in Ontario highly detrimental to the Commission, and that the pamphlet complained of was issued for the purpose of correcting false impressions and without any political object. The Court, Dec. 2, 1936, held that the Hydro-Electric Power Commission of the day had power to spend money for the protection of its undertakings and dismissed the case with costs.

An outstanding journalistic achievement was scored by the amalgamation of *The Globe,* and *The Mail and Empire,* both Toronto newspapers, on Nov. 23, 1936. The initial step had been taken on Oct. 14, 1936, when the Jaffray interest, which had controlled *The Globe* for 50 years was acquired by Mr. C. George McCullagh of Toronto, investment broker, and only 32 years of age, with the financial backing of William Henry Wright, the Canadian mining capitalist. Mr. Wright disclaimed any intention of taking an active part in the operation of the newspaper. He said, "I am giving my financial backing to Mr. McCullagh's energy and ability, with the expectation that he will make *The Globe* a greater voice for good in the affairs of Canada. Mr. McCullagh described the policy of the new *Globe* as Independent-Liberal. He added that the interests that had acquired *The Globe* had no axes to grind, nor any ulterior motive. "We are going," he said, "to be exponents of British principles, loyalties and traditions." The absorption of *The Mail and Empire* followed on Nov. 23, 1936, when the financial interest of I. W. Killam of Montreal in the traditional Conservative paper was sold to Mr. McCullagh and his associates. Back of the merger was the conviction that one financially strong morning paper in Toronto could give better service and be more successfully managed than two newspapers less advantageously situated.

A further chapter in the mystery of the disappearance of Ambrose J. Small in December, 1919, was ventilated in the Supreme Court at Toronto in 1936. The widow of the late theatre operator left an estate of $2,194,045 out of which she bequeathed numerous gifts and annuities to relatives and friends, and the residue to five institutions of the Roman Catholic Church. On behalf of Mary Florence Small, sister of Ambrose Small, court action was taken to restrain the distribution of the estate, and to upset the wills of Mr. and Mrs. Small, the plaintiff alleging fraud, forgery, perjury and other acts contrary to law on the part of the late Mrs. Small. It was contended for the plaintiff that the mystery of Small's disappearance was solved by the production of a document signed "T. Small" which purported to show that Mrs. Small confessed she was a party to her husband's death and therefore was not entitled to his estate. The story as told in the alleged confession was that Small had been killed in the Grand Opera House basement in Toronto and his body done away with. The mystery had been investigated by Frank Sullivan who swore that Mrs. Small had signed the document in his presence six years before her death. Mr. Justice Jeffrey, who heard the evidence of handwriting experts pro and con, gave judgment that the alleged "confession" was an "unquestioned forgery" and dismissed the action with costs, censuring Sullivan severely for his conduct in the matter.

Under the will of Charles Millar, barrister of Toronto who died about Oct. 31, 1926, the residue of his estate valued at $500,000 was left to the Toronto mother bearing the greatest number of children in the ten years following his death. This period having concluded on Oct. 31, 1936, what was popularly known as the "baby derby" came to an end. Some seventeen mothers came forward as claimants, one presenting a record of twelve eligible children of whom seven had survived. An effort was made by family connections of the late Mr. Millar to upset the will as contrary to public policy. This, and various other questions of a legal nature, were submitted by the executors to Mr. Justice Middleton for Court direction.

A notorious criminal career came to a spectacular end when Norman (Red) Ryan attempted to rob a liquor store in Sarnia on May 23, 1936. Ryan had a companion, Harry Checkley with him in the hold-up, and the two men rounded up twenty-one customers while they proceeded to gather in the loot, something less than $400. Before their job was complete, however, the local police got wind of the affair. Four police constables rushed to the scene of the attempted robbery. Ryan instantly shot and killed one of them, John Lewis, and in the fusilade which followed Checkley was killed and Ryan was mortally wounded, dying shortly afterwards. Ryan's record was without a parallel in Ontario. Between 1912 and 1924 he was sentenced to 54½ years imprisonment and fourteen lashes for robbery under arms, burglary and other crimes. In January, 1924, a bank robbery brought him a sentence of life imprisonment with thirty lashes which were however cancelled in view of a plea of guilty to the offence. After nearly twelve years in Kingston Penitentiary, during which Ryan succeeded in establishing a reputation as a model prisoner, he was released on parole, July 23, 1935, as a reformed man. His prompt return to crime, and the tragic consequences, followed. The last surviving member of the Ryan gang—Edward McMullen—died in Seattle in May, 1936, from a self-inflicted wound after shooting a United States Customs Officer, at Blaine, Washington, U.S.A.

Law enforcement resulted in the infliction of capital punishment in several instances during 1935 and 1936. The brutal murder of Mrs. Nathaniel Vermilyea at Belleville was traced to her son, Harold W.

Vermilyea who was convicted and executed May 2, 1935. Frank and Fred Temple, father and son, found guilty of shooting Constable Colin C. McGregor at St. Thomas May 7, 1934, while he was arresting them for a bicycle theft, both went to the scaffold June 27, 1935. Mary Cowan was proven to have instigated the murder of her husband by her lover, Albert Cowan—her young brother-in-law—at Barry's Bay July 21, 1934. Both were executed Feb. 27, 1936. Elizabeth Tilford of Woodstock, convicted of killing her husband by arsenic poisoning, paid the death penalty Dec. 17, 1935. The mysterious death of a young girl, Ruth Taylor, in a ravine in the east end of Toronto in November, 1935, was brought home to Harry O'Donnell for which he was hanged May 5, 1936. An unusual criminal case occurred at Walkerton. In 1934 Earl Leffler, 19 years of age, was tried for the murder of his grandfather, Philip Stroh, and was acquitted. He then accused his grandmother, Mrs. Mary Stroh, of having committed the crime and the case was thrown out by the Grand Jury. Young Leffler finally made a statement exonerating Mrs. Stroh and admitting that he had killed his grandfather accidentally. As he had already been acquitted of murder and could not be tried again for the same offence, young Leffler was charged with creating a "public mischief" and was committed by Mr. Justice J. C. Makins to the penitentiary for five years. Judicial dissatisfaction with a jury verdict in a murder trial was registered at St. Catharines Sept. 16, 1936. William Munchuk and his wife were on trial for killing a neighbour, John Seabright, in a quarrel over a line fence. When the jury reduced the charge to manslaughter Mr. Justice Makins remarked: "So long as we have spineless juries who administer justice in this Province, just so long will we have this sort of crime, and not only this sort of crime but recklessness and negligence on our highways, but the responsibility is yours." He told the couple that they had had a very fortunate escape and sentenced them to 20 years' imprisonment. Gordon Bliss, who gave himself up to the police at Fort William, Mar. 31, 1936, after strangling Mildred Johnston, aged 18, pleaded guilty to the charge of murder and was condemned to be hanged on Jan. 5, 1937.

The Province of Ontario

(As at Dec. 31, 1936)

Lieutenant-Governor* ..... Col. and the Hon. Herbert A. Bruce, R.A.M.C., M.D., F.R.S.C. (ENG.), LL.D.

The Hepburn Ministry (Liberal)†

(As at Dec. 31, 1936)

Prime Minister, President of the Executive Council and Treasurer	The Hon. Mitchell Frederick Hepburn
Secretary and Registrar	The Hon. Harry Corwin Nixon
Minister of Lands and Forests	The Hon. Peter Heenan
Minister of Agriculture	The Hon. Duncan Marshall
Attorney-General	The Hon. Arthur W. Roebuck, K.C.
Minister of Education	The Hon. Leonard J. Simpson, M.B., LL.D.
Minister of Public Works and Highways	The Hon. Thomas B. McQuesten, K.C.
Minister of Health	The Hon. James A. Faulkner, M.D., C.M.
Minister of Mines	The Hon. Paul Leduc, LL.M.
Minister of Public Welfare, Municipal Affairs and Labour	The Hon. David Arnold Croll, LL.B.
Minister without Portfolio	The Hon. Charles W. Cox
Speaker of the House	The Hon. Norman Otts Hipel

*NOTE.—Lieutenant-Governor: Dr. Bruce was succeeded on Nov. 30, 1937, by Mr. Albert Matthews.

†NOTE.—A General Provincial Election having taken place on Oct. 6, 1937, for the purpose of reference the Hepburn Ministry as at Dec. 31, 1938, is given on page 273.

Heads of the Administrative Services

(As at Dec. 31, 1936)

Deputy Minister of Education	Duncan McArthur, M.A., LL.D.
Assistant Provincial Secretary	Francis Vickers Johns
Deputy Minister of Game and Fisheries	David James Taylor
Deputy Attorney-General	Israel A. Humphries, K.C., LL.B.
Deputy Minister of Mines	Thomas Fraser Sutherland
Provincial Auditor	Gordon Arthur Brown
Clerk, Executive Council	Charles Frederick Bulmer
Deputy Minister of Lands and Forests	Walter Charles Cain
Provincial Archivist	(Vacant)
Superintendent of Insurance and Registrar of Loan Corporations	Hartley Dewart McNairn
Deputy Minister of Hospitals and Health	Dr. Bernard Thomas McGhie
Deputy Minister of Public Works	Chester Samuel Walters
Clerk of the Legislative Assembly	Major Alexander Cameron Lewis
Deputy Minister of Highways	Robert Melville Smith
Deputy Minister of Agriculture	James B. Fairbairn
Deputy Minister of Labour	James Frederick Marsh
Deputy Provincial Secretary	Clarence Fletcher Neelands
Deputy Minister of Public Welfare	Milton Arthur Sorsoleil
Chairman, Mothers' Allowances Commission	Milton Arthur Sorsoleil
Chairman, Old Age Pensions Commission	Milton Arthur Sorsoleil
Deputy Provincial Treasurer and Controller of Finances	C. S. Walters
Law Clerk of the Legislative Assembly	Eric Silk
Civil Service Commissioner	Charles J. Foster
King's Printer	T. E. Bowman
Public Trustee	A. N. Middleton
Deputy Minister of Municipal Affairs	Herbert Leopold Cummings
Chief Commissioner, Liquor Control Board	E. G. Odette
Chairman, Workmen's Compensation Board	George Wilkie, K.C.
Chairman, Minimum Wage Board	Arthur Wesley Crawford
Surveyor-General, Department of Lands and Forests	Charles Herbert Fullerton
Inspector of Legal Offices	Walter Wallbridge Denison, K.C.

NOTE.—See footnote on preceding page.

The Hepburn Ministry (Liberal)

(As at Dec. 31, 1938)

Prime Minister, President of Council, and Treasurer	The Hon. Mitchell Frederick Hepburn
Secretary and Registrar	The Hon. Harry Corwin Nixon
Minister of Lands and Forests	The Hon. Peter Heenan
Minister of Education	The Hon. Leonard J. Simpson, M.B., LL.D.
Minister of Public Works and Highways	The Hon. Thomas B. McQuesten, LL.B.
Minister of Mines	The Hon. Paul Leduc, K.C., LL.M.
Minister of Health	The Hon. Harold James Kirby, K.C.
Minister of Agriculture	The Hon. Patrick Michael Dewan, B.S.A.
Minister of Public Works	The Hon. Colin Alexander Campbell
Attorney-General	The Hon. Gordon Daniel Conant, K.C.
Minister of Municipal Affairs and Public Welfare	The Hon. Eric William Blake Cross, M.A., K.C.
Minister without Portfolio	The Hon. William Limburg Houck, B.S.
Minister without Portfolio	The Hon. Arthur St. Clair Gordon
Minister of Labour	The Hon. Norman O. Hipel

THE PROVINCE OF QUEBEC

Political Affairs during 1935—1936: The Liberal Defeat

Economically, the two-year period of 1935 and 1936 was devoid of special incident, the Province continuing to make a slow but nevertheless appreciable recovery. Politically, it was of crucial importance and packed with action. The tide which in 1934 began to turn against the Liberal Party, still strongly entrenched in power though it appeared to be, had risen further during 1935 and, finally, in 1936, overpowered the Government. A *régime* which had lasted for nearly forty years, during sixteen of which the Hon. L. A. Taschereau had been at its head, was brought to a close; and a National Union Administration, with the Hon. Maurice Duplessis as Prime Minister, was established.

Cautious and conservative in temperament, it had been easy for the Opposition to outbid the Government for the popular vote with pledges of advanced social security legislation and greater assistance for agriculture and colonization. In their own Party the Government had faced a growing revolt amongst the younger Liberals who felt that they were being allowed an insufficient voice in the Party councils, an insufficient share of the sweets of office and that the elder group was losing control of affairs. These two elements, coupled with the agitation of Dr. Philippe Hamel of Quebec Centre for the establishment of a hydro-electric commission somewhat similar to that existing in the Province of Ontario, had alarmed and disaffected prominent senior Members of the Party, such as the Hon. T. D. Bouchard and Mr. Oscar Drouin in the Legislative Assembly and the Hon. Elisée Thériault and the Hon. J. C. E. Ouellet in the Legislative Council.

The Prime Minister, the Hon. L. A. Taschereau and other Members of the Cabinet had realized, generally, that all was not well, but it seemed inconceivable that they could be defeated by an Opposition that held only a few seats in the Assembly and that lacked both money and organization. Accordingly, although steps had been taken to mend the broken fences, these were far from being equal to the real needs of the situation.

Scandals uncovered in the Public Accounts Committee of the Legislative Assembly had made the disintegration of the Government complete but they would almost certainly have been forced to go to the country during 1936 in any case, and would have met with defeat even without those disclosures.

Briefly, the major events of the two-year period included the usual early Session of the Legislature in January, 1935; a General Election in November of the same year, resulting in the return of the Liberals to office in a considerably weakened state; a reorganization of his Cabinet by Mr. Taschereau in March, 1936; the First and only Session of the Nineteenth Parliament of March—June, 1936, during which occurred the resignation of Mr. Taschereau; the formation of a new Cabinet by Mr. Godbout; and the defeat at the polls of the Liberal Government on Aug. 17, 1936, followed by the swearing in of the Union Nationale Cabinet with Mr. Duplessis as Prime Minister.

The 1935 Session of the Legislature

The Fourth Session of the Eighteenth Legislature of the Province of Quebec was convened on Jan. 8, 1935, when the Speech from the Throne was read by the Lieutenant-Governor, the Hon. E. L. Patenaude. The Provincial Revenues were declared to have shrunk by $10,000,000, while the demands upon the Treasury were no less than they had been formerly. In preference to making fresh loans the Government proposed to restore their Revenues from promising sources of assessment. The depression and new problems resulting from it compelled resort to drastic remedies in order that law and order might be maintained. Vigorous measures were promised to enable certain municipalities to balance their budgets. The Legislature was to be asked for $10,000,000 to finance a plan of colonization elaborated by the Hon. Irénée Vautrin, the new Minister of Colonization. Indemnities to workmen under the Workmen's Compensation Act, which had been cut down in 1934, would be restored to their former level. Unemployment abuses would be dealt with and the Report of the Lapointe Commission on Electricity implemented by legislation.

The Address-in-Reply to the Speech from the Throne was moved in the Assembly by Mr. Alexandre Gaudet, Member for Nicolet, and seconded by Mr. William Duffy, Member for Compton. In the Council it was moved by the Hon. Louis Letourneau and seconded by the Hon. Victor Marchand.

After critical contributions to the Debate had been made in the Upper House by the Hon. Elisée Thériault and the Hon. J. C. E. Ouellet, the Address was adopted there. And on Jan. 17 it was adopted by the Assembly when the Prime Minister (Mr. Taschereau) moved the appointment of Mr. Hector Authier, Member for Abitibi, as Deputy Speaker and Chairman of Committees. This initial Debate produced a spirited duel between the two Party Leaders, Messrs. Taschereau and Duplessis, and also a speech from Oscar Drouin in which, while still professing to be a Liberal, he expressed greater sympathy with the views of Mr. Paul Gouin, Leader of the new Liberal Action Party, than with the policies of the Government. An Opposition Amendment expressing regret at important omissions from the Speech from the Throne, such as means of keeping the farmer on his land, the rehabilitation of youth and the formation of an Advisory Economic Council, was voted down by a division of 10-45.

Before the end of January there was a bitter fight over a Motion by Mr. J. M. P. Sauvé, Member for Two Mountains, demanding the establishment of a Provincial farm credit system. For the Government Mr. Gaudet moved in Amendment that the contribution by the Province to the interest rate on Dominion loans to Quebec farmers be increased from 1½ per cent. and this finally carried on Feb. 5 by a vote of 43-7.

The Budget Speech delivered by Mr. Stockwell in the Legislative Assembly on Feb. 7, 1935, sounded a note of moderate optimism that was perhaps partly intended to keep up the courage of the people and of himself as well. Thus it opened with the statement that "The year 1934 witnessed improvements in many fields of economic activity" and further insisted that "The Province of Quebec has participated in the general betterment. . . . In some instances, it has profited in a larger measure than any other single Province in the Dominion." Unfortunately, however, the financial situation of the Provincial Administration itself showed no

improvement, the excess of Ordinary Expenditure over Ordinary Revenue being $5,594,473 for 1933-34 as compared with $6,840,907 for the previous year, while the excess of Total Expenditures over Total Receipts grew from $1,333,933 to $2,265,170, even when credit was taken for Net Accounts Receivable amounting to $1,176,467 at June 30, 1934.

This disappointing showing Mr. Stockwell did his best to extenuate by a detailed account of Departmental activities, in which he observed, for instance: "Notwithstanding the general need to retrench in Governmental Expenditures on Ordinary Account, grants to education and educational institutions have been maintained at a high level." He further stated that "A considerable number of new roads have been built, in some cases at the entire charge of the Province. This has afforded a considerable amount of work in the rural counties and has tended to relieve unemployment." And again, "Public works, undertaken during the past year, added materially to the volume of construction in the Province, at the same time affording an opportunity to suppliers of materials to increase their business. The relief brought to unemployment by these activities combined with direct unemployment aid has been sufficient, generally speaking, to sustain the unemployed."

Very little hopefulness was shown that the current year of 1934-35 would be more satisfactory and it was dismissed with the briefest possible reference. Nor did the Estimates for 1935-36 serve to brighten the picture in any way, a Deficit of $2,296,915 being anticipated, even with Ordinary Revenue increased from $31,778,012 to $33,580,477. Finally admission was made that "The Public Accounts show that the Net Funded Debt outstanding increased $14,437,112 during the fiscal year ended June 30, 1934". Moreover, "Since the close of the last fiscal year the outstanding Funded Debt has been increased, mostly to cover further expenditures on unemployment aid and refunding a short term loan." This last increase aggregated $23,730,000. There was also temporary borrowing over and above the various funded issues which Mr. Stockwell characterized as having been "necessarily heavy", and a balance of $13,500,000 of these Treasury Bills remained outstanding at the close of the fiscal year. After considerable debate the Budget was adopted on Feb. 19, 1935.

The Hon. Irénée Vautrin introduced the Bill embodying his Colonization plan on Feb. 27. Its first phase was to cover two years with a budget of $10,000,000 to put more than 20,000 settlers on the land in several categories: farmers' sons, voluntary settlers, unemployed settlers, and young lads as farm hands. A systematic effort was to be made to acquire vacant and abandoned farms in the older districts; also the lands were to be classified and the power of expropriation given to the Department.

If Mr. Drouin was at odds with his Party, Mr. Aimé Guertin, Member for Hull—aided and abetted by Mr. Laurent Barré, Member for Rouville and Mr. Ernest Gault, Member for St. George-Montreal—exhibited considerable independence with regard to Mr. Duplessis and his fellow-Conservatives. For instance, he supported the Vautrin colonization scheme which the Opposition as a whole condemned. On Mar. 12 the Resolutions to this important Bill were adopted "on division" and one week later the Bill itself was given third reading by a vote of 41-8.

Mr. Taschereau made announcement, Mar. 13, of his intention to set up a Commission to study the affairs of the Metropolis and professed

faith in a "Greater Montreal". One week later, the Woman's Suffrage Bill was introduced by Mr. Edgar Rochette, Member for Charlevoix-Saguenay, and promptly given the 6 months' hoist in a division that cut across Party lines, as usual.

On Apr. 2, Mr. Hortensius Béique, Member for Chambly, came close to being "named" by the Speaker. In the course of criticism of a Bill sponsored by the Hon. J. E. Perrault, to spend $150,000 in improvements on the Island of Orleans, following the completion of the bridge, Mr. Béique complained that so many works were "near" to the Government. Mr. Lucien Dugas, Member for Joliette, who was in the Chair at the time, called on him to retract and reported his refusal to do so, to the Speaker. Formally called on by the Hon. T. D. Bouchard to withdraw his offending expression, Mr. Béique finally did so. This incident was typical of the combative spirit of the Opposition which was tireless in putting forward non-confidence Motions every time the Treasurer proposed that the House go into Committee of Supply.

Other noteworthy Opposition gestures included the charge by Mr. Duplessis that the maintenance of a separate Public Charities Fund was contrary to Article 126 of The British North America Act which provides that "All dues or revenues collected by the Province shall form part of the Consolidated Revenue". Mr. Pierre A. Lafleur, Member for Verdun, called on the Government to create a Ministry of Industry and Commerce and the Prime Minister admitted that the time had come for some such development, although he contended that the Portfolio might be combined with another one. A Bill, sponsored by Mr. Taschereau to permit of the municipalization of electricity, provoked a keen Debate.

Following Easter Recess from Apr. 12, to Apr. 23, the Prime Minister moved a Resolution of congratulation to Their Majesties on the occasion of Their Silver Jubilee. This was seconded by the Opposition Leader (Mr. Duplessis) and endorsed by the Hon. R. F. Stockwell, Brig.-Gen. C. A. Smart and Mr. Aimé Guertin. The following day it was likewise adopted in the Legislative Council on Motion of the Hon. Jacob Nicol.

The Bill implementing the Report of the Lapointe Electricity Commission was introduced by the Hon. Honoré Mercier, Minister of Lands and Forests, on Apr. 25. It provided for a Commission with wide powers and Mr. Bouchard took advantage of the opportunity to heal the breach between his Party and himself by declaring that he was satisfied with this measure on the whole. Mr. Oscar Drouin, however, maintained that the Bill did not carry out the recommendation of the Lapointe Commission that the new body should be absolutely independent. He favoured a hydro-electric system similar to that of Ontario.

On May 2 Mr. Stockwell introduced an Amendment to the Succession Duties Act designed to increase the taxation on large estates but the following day Mr. Taschereau withdrew the Government Bill to tax soft drinks, in order to hasten Prorogation, claiming that this tax would cost too much to collect in proportion to the probable revenue to be derived from it. Making a place in his Cabinet for the Hon. T. D. Bouchard, the Prime Minister introduced a Bill to create a Ministry of Industry and Commerce. He also took over and put through a Bill sponsored by Mr. Bouchard to provide for the elimination of seignorial rights. A Motion on May 16 by Mr. Drouin calling on the Government to reorganize the Legislative Council was defeated in the Assembly by a vote of 4-40. The

following day, Mr. Duplessis gave the first hint of subsequent revelations with a charge that there were irregularities in the Colonization Department. On May 18, the Lieutenant-Governor prorogued the Legislature after a Session of 4 months and 10 days, the longest since 1879. In all, 179 Bills were sanctioned: 58 at Prorogation and 121 on previous occasions during the Session.

The 1935 General Election

During the 1935 Session of the Legislature, which closed on May 18, the Opposition, led by Mr. Maurice Duplessis, had shown surprising activity and effectiveness. The substitution, in the previous year (1934) of Mr. Irénée Vautrin for the Hon. Hector LaFerté as Minister of Colonization, had failed to add the hoped-for strength to the Government. The Commission, headed by the Hon. Ernest Lapointe and named in 1934 to investigate the electricity situation in the Province, had brought in its Report but the implementing legislation submitted to the House had failed to satisfy zealous reformers such as Dr. Philippe Hamel, Mr. J. E. Grégoire, Mayor of Quebec and Mr. Oscar Drouin.

After the close of the Session, Mr. Bouchard was taken into the Cabinet (June 6, 1935) as Minister of Municipal Affairs; Trade and Commerce, resigning the office of Speaker of the Legislative Assembly which he had held since January, 1930. But it was not until Oct. 30, 1935, that Mr. Taschereau announced the Dissolution of the Legislature, and, on the same day, the date of the General Election as Nov. 25.

Meanwhile, the National Liberal Action Party, which had sprung into being in 1934 under the leadership of Mr. Paul Gouin, had been making a maximum effort against the Taschereau Administration by forming an alliance with the Conservatives on the understanding that, if successful at the polls, Mr. Duplessis should be Prime Minister but that Mr. Gouin should have the naming of a certain number of Ministers.

In the General Election, the combined Opposition just failed of victory; they won in 42 counties with 16 Conservatives and 26 National Liberal Actionists elected; this cut the Liberal majority down to a mere six with the Speaker unappointed. The three Leaders were all elected with comfortable majorities.

On Mar. 12, nearly two weeks before the opening of the 1936 Spring Session of the Legislature, Mr. Taschereau, thoroughly alarmed at the Election result, drastically reorganized his Cabinet with a view to bringing the young Liberal element back into line. Hector Authier, Member for Abitibi, was named Minister of Colonization, replacing the Hon. Irénée Vautrin, former M.L.A. for Montreal-St. James, who had been defeated in the General Election.

The next day remaining vacancies in the Cabinet were filled, completing the executive body which had been so badly damaged at the polls. Mr. Taschereau (Prime Minister) relinquished the position of Attorney-General to the Hon. J. E. Perrault, former Minister of Roads, who in turn was succeeded by Mr. Pierre Emile Coté, Member for Bonaventure, in the Roads Portfolio. The Hon. J. N. Francoeur, former Minister of Public Works, Game and Fisheries and Acting Minister of Labour, became Minister of Public Works and Mines, while Mr. Edgar Rochette, Member for Charlevoix-Saguenay, was named Minister of Labour, Game and Fisheries. Mr. Cléophas Bastien, Member for Berthier, became Minister without Portfolio.

The Nineteenth Legislature of March-June, 1936

The First—and only—Session of the Nineteenth Legislature of the Province of Quebec was convened on Mar. 24, 1936. The Liberal Administration, following the General Election, was like a prize fighter who is still on his feet but so dazed that only the *coup de grace* is needed to put him down and out. In a desperate effort to save the situation, Mr. Taschereau had reorganized his Cabinet, entrusting Colonization to the one man who knew, perhaps, more about it than anyone else (Mr. Hector Authier); and had put into the Speech from the Throne, read by the Lieutenant-Governor (the Hon. E. L. Patenaude) promise of progressive legislation. Old Age Pensions were to be provided, farm loans were to be facilitated, Sunday observance strictly enforced, unemployment relieved and strict economy observed. In addition, His Honour expressed deep regret at the death of King George V and made an assertion of loyalty to his successor, King Edward VIII.

The first business of the new Legislative Assembly had been to choose a new Speaker. The appointment of Mr. Lucien Dugas, youthful Member for Joliette, had been moved by the Prime Minister. The Opposition Leader (Mr. Maurice Duplessis) while accepting the Motion, had swung into action with the prediction that the Session would be a combative one and that the Speaker would have to preside over many animated Debates.

The following day, the Address-in-Reply to the Speech from the Throne was moved in the Assembly by Mr. Cyrille Dumaine, Member for Bagot, and seconded by Mr. F. L. Connors, Member for Montreal-St. Anne. In the Council, it was moved by the Hon. Emile Moreau and seconded by the Hon. Frank Carrel. Mr. Taschereau expressed the hope that Members on both sides would conduct business in an orderly manner and dissuade their friends in the public galleries from making demonstrations. Mr. Duplessis retorted that the Opposition did not wish for demonstrations and were anxious that the proceedings should be conducted with dignity. He declared, however, that the Opposition required no policemen, such as those who filled the Legislative Buildings, to protect them, and urged that those Buildings should be wide open to the public in broad daylight at least. Mr. Taschereau also moved an address of sorrow over the demise of King George V, of sympathy with the bereaved Royal Family, and of loyalty to King Edward VIII; this was seconded by Mr. Duplessis and endorsed by Mr. Ernest Gault, Member for Montreal-St. George. It was likewise adopted by the Upper House.

On Mar. 26, there was a bitter duel between the Opposing Party Leaders in the Debate on the Address. Mr. Duplessis predicted that the Government, which had outlived their usefulness, would soon be placed in the discard. Mr. Taschereau rejoined: "We have had Elections. You are still there and we are here. Strong Governments—the Bennett Government included—have disappeared: we alone survive. I inherited the Premiership from Sir Lomer Gouin and I will continue to lead the Liberal Party while health permits me to do so and I retain its confidence." On the same day the Address was adopted in the Legislative Council, after speeches had been delivered by the Hon. J. A. E. Thériault and the Hon. J. C. E. Ouellet attacking the Government which were defended by the Hon. Jacob Nicol and the Hon. J. H. Kelly.

The following day Mr. Oscar Drouin flayed the Government in a speech which lasted two hours and declared that under no circumstances

would the National Liberals return to the old Liberal Party. By Apr. 1, Government speakers were reproaching the Opposition with obstructive tactics while the latter retorted that the Government were dawdling. The next day Mr. Duplessis suggested that the Address Debate should be suspended in order to pass the Old Age Pensions Bill and other pressing Bills but Mr. Taschereau insisted upon the regular procedure being followed by the adoption of the Address before other business was transacted. It was not until Apr. 28, that Mr. Paul Gouin, the desk-mate of Mr. Duplessis, made his first speech in the Assembly. It proved to be an able and moderate contribution to the Debate on the Address which was finally adopted the next day amid partisan demonstrations, after five and a half weeks of debate. The vote was 47-41, giving the Government the scanty majority of six, in which the veteran Conservative, Mr. C. E. Gault of Montreal-St. George was included. On Motion of Mr. Taschereau, Mr. Léon Casgrain, Member for Rivière-du-Loup, was then elected Deputy Speaker. The Hon. T. D. Bouchard introduced the Old Age Pensions Bill which, he said, would benefit 30,000 persons.

The Hon. R. F. Stockwell delivered what proved to be his last Budget Speech on Apr. 30. He followed the same formula by emphasizing a continued improvement "in many fields of economic endeavour" and the extent to which Quebec had participated therein. His account of Departmental activities was, if possible, more detailed and more explanatory than that which he had given to the House some twelve months previously. The figures, however, told their own story. The excess of Ordinary Expenditure over Ordinary Revenue for 1934-35 was just short of $5,000,000 and the statement was prepared in such a way that it was absolutely impossible for anyone but an expert accountant to determine what the exact excess of total disbursements over total receipts might be.

As previously, the current year 1935-36 was glossed over as quickly as possible with no pretence of hope and with Ordinary Revenue again increased, this time to slightly more than $36,000,000, the Estimates for 1936-37 anticipated a Deficit of $991,345. During the fiscal year ended June 30, 1935, the Net Funded Debt outstanding was said to have increased $20,915,495 and a balance of $14,000,000 of Treasury Bills remained outstanding at the close of the fiscal year.

The conclusion to the Budget Speech by Mr. Stockwell, was not without pathos. He urged that "The great achievement of the Liberal Government in the Province of Quebec, so ably led by the dependable and distinguished Prime Minister, the Hon. L. A. Taschereau, is that they have maintained Quebec on a plane of financial solidity. Considering the severity of the depression through which the world has passed during the last five years, history will surely record this as the most outstanding achievement in the political life of the country in our time."

The deadlock that threatened over the Debate on the Address now clamped itself down in connection with the Budget Debate. Mr. Duplessis would not consent to pass the Budget ahead of the Old Age Pensions Bill and Mr. Taschereau refused to advance the Bill further until the Budget had been adopted. But on May 6, the first sitting of the Public Accounts Committee marked the beginning of the end. The body met frequently during the next five days with Mr. Léon Casgrain, the Deputy Speaker, as Chairman. Charges were levelled by Mr. Duplessis against a former Member of the Assembly, a former Cabinet Minister, and several high public officials. The Government used their majority desperately to "sit on the lid" as far as possible by voting down Opposition attempts to have

witnesses forced to answer questions to which exception was taken. Feeling ran high and on one occasion, following a sitting of the Committee, Dr. Philippe Hamel, Member for Quebec Centre, struck Mr. Fernand Choquette, a Liberal lawyer, in the corridor and action was taken against him for assault. The disclosures that Mr. Duplessis managed to make were sufficiently sensational and when a near relative of the Prime Minister was forced to confess that he had been placing in his own account the bank interest on funds entrusted to his care, the position of the Government became an impossible one.

While the Public Accounts Committee was meeting, Mr. Duplessis was steadfastly refusing to pass the Budget in the Assembly or to allow the Government a cent of credit. The effect of these tactics became evident when he stated in the House on May 26, that he had received letters from various parts of the Province complaining that the Government were not paying their accounts. As the Budget voted at the previous Session was for a period that ended only on June 30, 1936, he observed that he could not understand this neglect.

In reply, Mr. Taschereau claimed that the Supplementary Estimates were commonly used to enable a Government to finish the fiscal year and he suggested that the House suspend Debate on the Budget in order to vote this additional credit. Mr. Duplessis refused to accede to this but expressed his willingness to vote $5,000 to pay the stenographers of the Public Accounts Committee.

The Women's Franchise Bill was again introduced in the Legislative Assembly, this time on May 27, by Mr. F. A. Monk, Member for Jacques-Cartier but once again it went down to defeat, the Motion for second reading being voted negatively, 43-24. Anew Mr. Taschereau denounced Opposition obstruction and, as before, Mr. Duplessis expressed willingness to pass the Old Age Pensions and Sunday Observance Bills. To this the Prime Minister rejoined by declaring that no measure would pass the House until the Budget had been voted. Undaunted, Mr. Duplessis retorted that no power would prevent the Opposition from doing their duty.

On June 4 a mass demonstration of the unemployed was addressed by the Hon. T. D. Bouchard outside of the Legislature and later in the day a Liberal caucus was held. In the Assembly, Mr. Duplessis intimated that colleagues of the Prime Minister were trying to form a Coalition behind his back. Challenged to go further he said that he himself had been approached but had refused to have anything to do with it. Mr. Taschereau said "Do not let my honourable friend imagine we would enter into a Coalition with him. We have beaten him and intend to keep him beaten". And the Opposition Leader renewed his "dare" to the Government to go to the people.

By June 9, rumours filled the Legislature: the Government was to resign; the Hon. T. D. Bouchard or the Hon. Adelard Godbout was to be Prime Minister; Mr. Maurice Duplessis was to be called in by the Lieutenant-Governor to form an Administration. The following day Mr. Duplessis stated that the Prime Minister had told him that the Lieutenant-Governor was to sanction some private Bills and he suggested that the Old Age Pensions and Sunday Observance measures were more important. The Government, he contended, should put them through so that they might be sanctioned at the same time. After some objection, Mr. Taschereau finally consented to do so and Mr. Duplessis triumphantly exclaimed that the Opposition had "forced" the Government to deal with this legislation after weeks of delay.

The first crumbling of the Quebec Liberal *régime* came suddenly on the morning of June 11. Members of the Committee had entered the meeting-room and were conversing informally in groups while waiting to be called to order, when Mr. Léon Casgrain, Riviére-du-Loup, Chairman of the Committee, arrived, but, instead of starting the proceedings as usual, he announced in tones just loud enough to be heard that the Legislature had been Dissolved and that a General Election was to be held on Aug. 15 (1936). The hum of voices instantly ceased and someone called out, "stop joking". But the Chairman repeated his statement and then walked out of the room, leaving the Members to disperse as they chose.

Meanwhile, other and more important scenes in the drama had been enacted elsewhere in the Legislative Buildings as the Prime Minister (Mr. Taschereau) waited upon the Lieutenant-Governor, the Hon. E. L. Patenaude, with a twofold request: first, for the Dissolution of the Houses and the granting of a General Election; and, second, for the acceptance of his resignation and that of his colleagues with the advice that the Hon. Adelard Godbout, retiring Minister of Agriculture, be called on to form an Administration.

For his personal retirement, Mr. Taschereau gave his age as the reason, explaining that he was in the seventies and, as he had given the best part of his life to the Province, he thought it time for a younger man to take his place. He had intended resigning, he said, before the 1935 General Election but had not done so because he wished to face the attacks of his opponents by meeting them on the political battle-field. Dissolution of the Legislature the veteran Prime Minister asked for on the ground that the Budget had not been adopted and that there was no prospect that it would be, even if the Session dragged on into July and into the beginning of a new fiscal year. "I am not ready to let the Province suffer," he declared, "and, therefore, the only alternative is to let the people choose whom they wish to govern them."

Both requests were granted by His Honour and thus Mr. Taschereau brought to a close an active political career of 16 years as Prime Minister, of 28 years as a Minister of the Crown, and of 36 years as a Member of the Legislative Assembly. He had served as head of the Government for a longer period than any other man in the history of Quebec. With his retirement an important chapter in that history came to a close.

The Hon. Adelard Godbout was then called in by Mr. Patenaude and, accepting office, was sworn in as Prime Minister that same day (June 11), but it was not until a fortnight later, June 27 (1936), that he was able to announce the personnel of his Cabinet as follows:

Prime Minister and Minister of Agriculture and Colonization	The Hon. Adelard Godbout
Minister of Commerce and Industry	The Hon. Wilfrid Gagnon
Minister of Public Works and Mines	The Hon. Césaire Gervais
Provincial Treasurer	The Hon. Edward Stuart McDougall
Minister of Labour, Game and Fisheries	The Hon. Edgar Rochette
Attorney-General and Provincial Secretary	The Hon. Charles Auguste Bertrand
Minister of Lands, Forests and Municipal Affairs	The Hon. T. Damien Bouchard
Minister of Roads	The Hon. Pierre Emile Coté
Minister without Portfolio	The Hon. Cléophas Bastien
Minister without Portfolio	The Hon. Frank L. Connors

In his anxiety to avoid being tarred with the scandals of the previous Administration, the new Prime Minister thus re-appointed only the most recent of the former Ministers; namely, Messrs. Coté, Rochette, Bouchard and Bastien; while he promoted Mr. Connors to Cabinet rank. To these colleagues with some experience he added men new to the Legislature, if not to public life, in the persons of Messrs. Bertrand, McDougall, Gervais

and Gagnon. It was not a strong Government from an electoral point of view, at least, and the Portfolios were distributed in an awkward manner which did little to inspire popular confidence. An early difficulty encountered by the Godbout Administration and one that remained with them throughout their brief existence, was a shortage of funds, none having been voted for the new fiscal year. In order to obtain money for necessary purposes the Treasurer was obliged to obtain Orders from the Lieutenant Governor-in-Council and the Hon. E. L. Patenaude was properly careful about affixing his signature to instruments of this kind.

The Public Accounts Committee, 1936

This body, which is supposed to be a Standing Committee of the Legislative Assembly, for many years previously had been convened only on infrequent occasions. It sat, however, for two eventful periods during the year 1936 to investigate charges laid by Mr. Duplessis against various persons connected directly or indirectly with the Provincial Civil Service. The first period was from May 6 to June 11 in the dying struggles of the Taschereau Administration. Mr. Léon Casgrain, K.C., was the Chairman. A majority of Liberal Members who, led by the ablest lawyers in the delegation, sought to limit the investigation and to defend persons involved on grounds of technicality.

Chief among those implicated by the Opposition Leader (Mr. Duplessis) were Mr. Irénée Vautrin, former Minister of Colonization, charged with abuses of perquisites of office but who denied responsibility for any improprieties; Mr. Charles Lanctôt, K.C., Assistant Attorney-General, similarly charged, who refused to give evidence; Mr. Antoine Taschereau, Accountant of the Legislative Assembly and brother of the Prime Minister, who was proved to have converted to his own use the bank interest on funds of the Legislature entrusted to him—this amounted to some $15,000 in the case of the Banque Canadienne Nationale and to about $14,000 in that of the Bank of Montreal. Mr. Antoine Taschereau, who claimed that he had always considered this a recognized perquisite, posted a cheque for $15,000 with the Provincial Treasurer and requested a ruling by an independent tribunal. The request was denied and the cheque was confiscated as restitution but he was unable to make good the balance. Needless to say, he was dismissed.

Another accused person was Mr. J. Oscar Beriau, Director of the School of Fine Arts, against whom the charge was profiteering in the manufacture and sale of automobile licence plates to the Government.

When the Public Accounts Committee sat again from Oct. 20 to Nov. 12 (1936) the scene had changed completely. The Duplessis Government were now in power and the Chairman was Mr. Alexandre Taché, K.C., of Hull, while the majority was composed of National Unionist Members. The Liberal minority led by Messrs. T. D. Bouchard and Léon Casgrain, therefore, had great difficulty in preventing the investigation from going far afield.

The banking affairs of Mr. Antoine Taschereau were again under scrutiny and that gentleman, pleading ill-health, asked to be allowed to have a legal representative present in the person of Mr. Valmore Bienvenue, K.C., former Crown Prosecutor. This was granted but, before the proceedings had gone very far, Mr. Bienvenue was expelled on Motion of the Prime Minister (Mr. Duplessis) by a majority vote of the Committee, for having allegedly prompted his client. Later, a statement of denial was issued by Mr. Bienvenue.

Mr. Edgar Vezina, Provincial Auditor, charged Mr. A. P. B. Williams, Assistant Provincial Treasurer, with failure to co-operate. He claimed that certain Treasury Department employees had speculated with the Province's debentures held in the vaults and, further, that the Province had lost $95,000 in the sale by Mr. Williams of $1,150,000 worth of debentures to the Quebec Liquor Commission. Mr. Williams challenged his accusers to repeat these charges outside of the House and asked for an investigation by an independent authority. He was later dismissed, as Mr. Lanctôt had already been by the Hon. C. A. Bertrand, as Attorney-General, during the Godbout Administration.

Before the emergency Session of 1936 prorogued the Prime Minister (Mr. Duplessis) stated that the Public Accounts Committee would continue its investigations until all charges had been examined.

The 1936 General Election

Although the date of the General Election had been originally fixed for Aug. 15, with Nomination day one week previously, a change was made to Aug. 17 in order to avoid conflicting with a religious holiday. A break had occurred between Messrs. Duplessis and Gouin so at the outset there promised to be three main groups in the contest: the orthodox Liberals led by Mr. Godbout; the National Unionists led by Mr. Duplessis; and the Liberal Action group led by Mr. Gouin in opposition to the other two. Later, Mr. Gouin retired from the field and all of his erstwhile supporters, with few exceptions, joined the Conservatives to form the National Union Party; and so it was a straight Party fight although there were independent candidates in a number of constituencies. The Federal Liberals, headed by the Quebec Ministers, both worked and spoke for the Godbout slate.

The Liberal plea was that the Godbout Administration was composed of new men who had no responsibility for past mistakes: they thought that the Public Accounts Investigation should be transferred to a judicial committee; they promised the abrogation of the Dillon Election Act, the amendment of the Minimum Wage Act and the Workmen's Compensation Act; the provision of additional aids to agriculture; and the appointment of a Royal Commission to investigate all the Departments of the Government. A Liberal caucus was held at Quebec City, July 8 (1936), at which it was decided that the Government should carry out their policies without increasing taxation. A week later Mr. Godbout (Prime Minister) closed the London, England, Office of the Province as a measure of economy. During the campaign he had also angled repeatedly for the return of all disgruntled Liberals to the fold, an endeavour that failed to produce any appreciable results.

Mr. Duplessis, for his part, derided the pretensions of the self-styled "new men", claiming that they formed part and parcel of the discredited *régime*. In a speaking tour of the Province he re-enunciated his Party's reform programme; demanded honest elections; promised youth the rightful opportunity denied to it; promised, too, continuance of the probe by the Public Accounts Committee while, at the same time, reassuring honest Civil servants. He hotly denied accusations of racial prejudice made against him in person.

On Nomination Day, Aug. 10, 204 candidates were officially placed in the field for the 90 seats, as follows: National Union, 90; Independent National Union, 4; Liberal, 88; Independent Liberal, 13; Conservative, 2;

Independent Conservative, 1; Communist, 3; Labour, 1; C.C.F., 1; and People's Party, 1.

A week later, Aug. 17, in an electoral landslide, the National Union Party swept the Province under the leadership of Mr. Duplessis, taking 76 of the 90 seats. Mr. Godbout went down to personal defeat and with him five of his Ministers, Messrs. Gagnon, McDougall, Gervais, Rochette and Coté. The Prime Minister-elect asked the support of all to make the Province the finest in the Dominion, while Mr. Godbout declared that Liberalism would rise again stronger than ever. On Aug. 26 he resigned after having held office less than two months, thus bringing to an end the Liberal *régime* in Quebec that had lasted for 39 years.

The same day the political crisis was finally terminated when the Lieutenant-Governor swore in the new Administration, as follows:

Prime Minister, President of the Council and Attorney-General	The Hon. Maurice L. Duplessis
Minister of Lands and Forests	The Hon. J. Oscar Drouin
Provincial Treasurer	The Hon. Martin B. Fisher
Minister of Colonization	The Hon. Henry L. Auger
Minister of Mines, Game and Fisheries	The Hon. Onesime Gagnon
Minister of Agriculture	The Hon. Bona Dussault
Minister of Public Works	The Hon. John S. Bourque
Provincial Secretary	The Hon. J. H. A. Paquette
Minister of Labour	The Hon. William Tremblay
Minister of Roads	The Hon. Francois J. Leduc
Minister of Municipal Affairs, Trade and Commerce	The Hon. Joseph Bilodeau
Minister without Portfolio	The Hon. Antonio Elie
Minister without Portfolio	The Hon. Thomas J. Coonan
Minister without Portfolio	The Hon. Gilbert Layton

The Cabinet contained eight Conservatives, four former members of Action Liberal Nationale, and two men previously unaffiliated with either group but elected under the common National Union banner.

Noticeable omissions that caused much comment and that were afterwards destined to cause a certain amount of "fireworks", more sensational than effective, however, were Dr. Philippe Hamel of Quebec Centre and Mr. J. E. Grégoire (Mayor of Quebec City), Member for Montmagny—two men who had done much to inflame popular opinion against the so-called "electricity trust". On Aug. 28, 1936, Mr. Duplessis announced the appointment to the Legislative Council of Mr. Alphonse Raymond, a Montreal business man, replacing Dr. James Girouard in the Delorimier Division. The latter had become disqualified through absence from the Legislature during two Sessions, due to ill-health. The replacement of all Crown Prosecutors was likewise announced.

There was published in the Quebec official *Gazette,* Aug. 29, 1936, the Financial Statement for the fiscal year ended June 30, 1936. This showed a Deficit of $1,923,175 or $373,740 less than had been anticipated by the Hon. R. F. Stockwell in his last Budget.

An announcement by the Prime Minister (Mr. Duplessis) on Sept. 2, was to the effect that $42,000,000 had been spent by the Godbout Government in the first two months of the new fiscal year. Against this the savings introduced by the new Government in two or three days represented at least $1,000,000 annually. The next day, the London Agency was permanently closed and the staff dismissed, while the petition of the Agent, Dr. Lemieux, for a pension was refused.

On the same day, too, (Sept. 3) statements were issued by Mayor Grégoire and Dr. Hamel who proclaimed their continued loyalty to the National Union Party, with the intention, however, of keeping up their fight against "the electricity trust". Dr. Hamel said that he had refused,

in turn, the Speakership of the Legislative Assembly, a Ministry without Portfolio, and the Chairmanship of the Electricity Commission. Mr. Grégoire declared that he would not enter the Cabinet without Dr. Hamel.

The Prime Minister (Mr. Duplessis) announced on Sept. 8 that Montreal's Civic Elections would be held in December; and on the following day, that an emergency Session of the Legislature was convened for Oct. 7. The practical abolition of the Quebec Liquor Commission was made public by the Prime Minister on Sept. 11, the salaries of the Commissioners being reduced to $1 per year. Other statements made by him were: on Sept. 17, that Messrs. J. A. Dolbec, Comptroller of Revenue, and A. R. Joncas, Director of Automobile Services, had been dismissed for insubordination; and on Oct. 2, that a $51,000,000 loan had been floated at the nominal rate of 2 per cent.—this was claimed to be the best rate since Confederation, the Province standing to save $250,000 annually.

The leaves of history were turned back on Oct. 6, when the Hon. Sir Thomas Chapais, was named Minister without Portfolio and Leader of the Legislative Council. This fine old veteran of public life had previously been Minister without Portfolio in the Taillon Administration, 1893; Speaker of the Legislative Council, 1895; President of the Executive Council, 1896; and Minister of Colonization and Mines in the Flynn Administration, 1897. A Chevalier of the Legion of Honour and Commander of the Order of St. Gregory the Great, he had been created Knight Bachelor in 1935 by His Majesty, King George V.

After the Emergency Session, Oct. 7 to Nov. 13, Mr. Duplessis left on a well-earned vacation to Bermuda until Dec. 7. During his absence the Hon. J. Oscar Drouin was Acting-Prime Minister. On Dec. 15, following the Abdication of Edward VIII the Oath of Allegiance to King George VI was taken by the Provincial Cabinet; this was the last political event of 1936.

The First Session of the Twentieth Legislature, October, 1936

The First Session of the Twentieth Legislature, which the Prime Minister (Mr. Duplessis) called an "emergency" Session, met on Oct. 7 with 43 new Members of the Assembly of whom only one was on the Opposition or Liberal side. The Hon. Alphonse Raymond was appointed Speaker of the Legislative Council while Mr. Jean Paul Sauvé, son of the Hon. Arthur Sauvé, former Conservative Leader, was rewarded for loyal and able service to Mr. Duplessis, by election as Speaker of the Legislative Assembly.

The Speech from the Throne, delivered by the Hon. E. L. Patenaude, foreshadowed stabilized finances through drastic economies; also the passage of the Budget and of "urgent legislation". The chief measures indicated affected Provincial rural credit, the Election Act, the Workmen's Compensation Act, a minimum wage for forest industries and the Old Age Pension Act.

The Address-in-Reply to the Speech was moved in the Assembly on Oct. 8 by Mr. Emile Boiteau, Bellechasse, and seconded by Mr. Jonathan Robinson, Brome. In the Upper House, it was moved by the Hon. Georges Simard and seconded by the Hon. Frank Carrel, two Liberal appointees who made it clear that they were simply co-operating in carrying on the business of the Council, in view of the absence of Government supporters. As the Hon. Adelard Godbout (former Liberal Prime Minister) had no seat, Mr. T. D. Bouchard was chosen Leader of the Opposition in the

Assembly. In the Council, the Opposition was led by the Hon. Hector LaFerté.

Taking part in the Debate on the Address-in-Reply in the Assembly on Oct. 13 the Prime Minister (Mr. Duplessis) gave the pledge of the Government to safeguard the interests of youth and to carry out their programme of reforms. They necessarily had to purify the air first of all, he said, and put things on an honest and just basis. Mr. Bouchard voiced his faith in the future of Liberalism. He claimed that there were misunderstanding and discord in the ranks of the Government Party. The Liberal defeat at the polls, he maintained, had been due to defections and the attractions of change. The Government programme he criticized as impracticable. Constituting something like a record, the Debate was wound up on the following day, when Dr. Hamel, Quebec Centre, insisted upon organized and sincere Government competition in the field of electricity and Mr. René Chaloult, Kamouraska, expounded by now familiar Nationalist policies. The Address was adopted without division and Dr. Marc Trudel, St. Maurice, was elected Deputy Speaker.

The Hon. Martin Fisher (Provincial Treasurer) brought down on Oct. 16 Estimates that were those of the previous Administration (Liberal) for the balance of the fiscal year, without accepting responsibility for their accuracy. He stated that when sworn in the Government had found a floating debt made up of the following items: Treasury Bills or Notes held by the banks, $26,575,000; overdrafts, $6,879,309; unpaid warrants, $4,215,360; and accounts owed by various Departments, $5,000,000. This aggregated Total Current Liabilities of $42,669,670, to which had to be added a 5 per cent. bond issue of $10,000,000 maturing on Nov. 1, 1936, making a grand Total of $52,669,670. The Net Funded Debt as at June 30, 1936, was $130,643,614. With the new loan of $51,000,000—less the maturing issue of $10,000,000—added to Total Liabilities of $159,528,629, the staggering figure of $200,525,629 was arrived at. Concluding, Mr. Fisher stated that the Government intended to reconstruct the finances of the Province.

Rapid progress was made with the passage of the Government's measures. A new Department was created on Oct. 21, that of Mines, Game and Fisheries, with the Hon. Onesime Gagnon as Minister. On Oct. 29 the Assembly passed the Rural Farm Credits Bill. A week later, Nov. 5, an Amendment to the Election Act, aimed at more severe punishment for corruption, was adopted. An Amendment to this Act which would have given votes to the women of the Province, moved by Dr. Camille Pouliot, Gaspé South, and seconded by Mr. Francois Pouliot, Missisquoi, was defeated in the Assembly by a vote of 44-21. This was the twelfth time that the Legislature had turned down a Motion to grant women the franchise, Quebec thus remaining the only Province without such legislation.

Other enactments of the Session cut Sessional indemnities of the Members and Cabinet Ministers ten per cent.; made illegal the holding by Ministers of directorships in companies dealing with the Government; amended the Old Age Pension Act; enabled the youth of the Province to "take their rightful place in business and industry"—many scholarships, principally for mining engineers, were to be set up; established a minimum wage of $40 a month for lumberjacks; and abolished the Provincial Commission which formerly supervised the lumber industry. In this latter connection the Prime Minister (Mr. Duplessis) outside the Legislature conferred with the Prime Minister of Ontario (Mr. Hepburn) on a plan to expand newsprint markets.

On Nov. 10 the Hon. George Bryson was honoured by his fellow-Members of the Legislative Council on the completion of his fiftieth Session as a Member of the Red Chamber. This record was believed to be unique in Empire history.

The Legislature was prorogued on Nov. 12, 1936; the "Emergency" Session was at an end, after the Lieutenant-Governor had sanctioned 45 Bills.

Departmental Reports for the fiscal years 1933-34 and 1934-35

Under the following sub-headings are given the Reports of the various Departments of the Government of Quebec for the fiscal years, 1933-34 and 1934-35, ended June 30, as presented to the Legislature during the 1935 and 1936 Sessions (Fourth Session of the Eighteenth Legislature and First and only Session of the Nineteenth Legislature). Departmental Reports for the fiscal year 1932-33, ended June 30, as presented to the 1934 Session of the Legislature were included in the previous volume of *The Canadian Annual Review* covering the year 1934.

The Secretary and Registrar

Revenue of the Department of the Provincial Secretary and Registrar during 1934-35 amounted to $150,883, derived from fees, an increase of $10,247 over the previous year, according to the Annual Reports for the two fiscal years, 1933-34 and 1934-35. There were 814 companies with a total capital of $109,846,045 incorporated by Letters-Patent under the Great Seal of the Province in 1934-35 as compared to 924 companies with a total capital of $95,134,743 in 1933-34, approximately 6,787 companies sent in their annual reports in 1933-34 and 7,750 in 1934-35.

Grants for school buildings were continued during the two years. School grants totalled in 1933-34, $459,905, and in 1934-35, $459,295. Of these totals boys' academies in 1933-34 received $15,000 and in 1934-35, $20,000; rural or colonization schools received in 1933-34, $133,469 and in 1934-35, $214,001; other elementary schools received in 1933-34, $311,435 and in 1934-35, $225,293.

Particular attention was paid to the erecting of small schools wherever there was a sufficient group of children. Enrolment in free night schools during the year 1934-35 totalled 8,447 for 273 classes, showing an increase of 449 students and 10 classes over the year 1933-34. The three main courses were as usual French, English and Arithmetic.

The number of patients in insane hospitals increased during the two years under review. Inmates in reformatory schools were at a slightly higher figure during 1934-35 as compared with the previous year.

Substantial progress was noticed during the two fiscal years in the health of the Province due to the establishment of Country Sanitary Health Units; a marked decrease was shown in infant, general and infectious disease mortality in the districts where they were established.

In 1934 the number of births in the Province was 76,432 or a rate of 25.3 as compared to 1930 when the number of births was 83,625, equivalent to a rate of 29.4 per 1,000 population. This decrease, the Report of the Health Bureau stated, "makes us pause and ask ourselves if we are not heading toward that situation from which certain European peoples have been suffering for several decades and which is causing them to regard the future with apprehension."

Marriages during 1934 numbered 18,242, or an increase of 2,905 over the 1933 total or 18.9 per cent. in one year. Total deaths in Quebec during 1934 were 31,923 or 10.6 per 1,000 population as compared with Ontario's death rate of 9.6. However, from 1926 to 1934 a decrease of 3.6 deaths per 1,000 population was shown.

Lands and Forests

The Annual Reports of the Minister of Lands and Forests for the two fiscal years, 1933-34 and 1934-35, showed that there were 8,434,332 acres of land sub-divided into lots on June 30, 1934, and that from that date to June 30, 1935, 443,654 acres; that in 1934-35, by cancellation or re-transfer of sales, 165,300 acres had reverted to the Crown; and that the area of lands sub-divided into available lots was then equal to 9,043,286 acres—or an increase of nearly 1,000,000 over the territory for the same period during the year 1933-34. Out of this total 364,565 acres had been granted for agricultural and industrial purposes so that on June 30, 1935, available farm lots covered an area of 8,678,721 acres.

The Total Income of the Department for each of the two years, 1933-34 and 1934-35 was $2,563,891 for the former year and $3,135,556 for the latter, made up of receipts, principally from Woods and Forests, Crown Lands, Jesuits' Estates, water powers, beach and deep water lots and other hydraulic services, as well as refunds.

Fifty-eight per cent. of the receipts of the Forest Service were used for disbursements for the Service itself, for the Protection Service, subsidies for Forestry and Papermaking schools, Forest research, the Forest Products Commission; the Forest Operations Commission and for reforestation. Since Confederation, the Reports stated, receipts from administration of leased forests amounted to $105,027,952. The paper industry accounted for 69.37 per cent. of the wood operated while sawn lumber accounted for only 29.37 per cent.

The Chief of the Forest Service reported a manifest recovery in business during the year 1934-35 for the cutting of timber which slightly exceeded the objective of 1,300,000,000 f.b.m., the total cut being 1,337,228,000 f.b.m., or an increase of 35 per cent. over the year 1933-34. Prices for newsprint, however, remained low. Prices offered by English merchants for sawn lumber dropped off from the level of the previous year, 1933-34, standing at $3 to $5 lower per 1,000 f.b.m. This drop was credited to the Sumptuary tax of $3 in addition to an Import duty of $1 per 1,000 f.b.m. imposed by the United States, which was holding up shipments to the Republic.

Regarding timber cut on Crown Lands, the Reports of the two fiscal years covered in each case the preceding year, namely, 1932-33 and 1933-34. In the former year there had been 492,730,961 f.b.m. and in the latter, 992,074,061 f.b.m.

The inventory of leased and unleased forests, started in 1923, covered, in 1933-34, a total area of 77,098 square miles, and, in 1934-35, an area of 78,857 square miles, or 34 per cent. of the total area of forests south of the 52nd parallel of north latitude.

Protection of forests, in 1933-34, cost $1,143,172 with 1,553 fires spread over only 113,358 acres; in 1934-35 the cost was $1,395,958 with 1,102 fires spread over 287,650 acres. Reforestation work necessitated the use, in 1933-34, of 3,724,770 trees from nurseries. Nearly 5,000,000 trees were planted on forest reserves in 1934-35. In 1933, 69,879 permits to burn

slash were issued, the number being reduced to 48,821 in 1934. Circulation permits numbered 168,204 and 288,832, respectively, for 1933 and 1934.

The forestry schools continued to progress in 1933-34 and 1934-35, although the enrolment was rather poor, owing to the graduates' difficulty in finding employment. Up to the end of the 1933-34 school year there were 130 graduates of the Laval School of Forestry and by 1935, the number had risen to 135. The School for Forest Rangers—established at Berthier since 1924 was moved to Duchesnay in 1934-35. The Paper-Making School, founded in 1924, had granted 43 diplomas up to the end of the 1934-35 school year.

In logging operations the number of men employed was 30,942 in 1933-34, and the following year it rose to 42,453. The average output per man was: in 1933-34, 32,000 f.b.m.; and in 1934-35, 31,500 f.b.m. This decrease was blamed on the splitting up of operations—"too many small camps and too frequent changes of workmen who migrate from one camp to another."

The Dolbeau paper mill was closed for some weeks in 1933-34 through the presence of strike fomenters. The Department Chief commented: "There is a very active Communist organization whose mission is to paralyze our forest industry at any cost." A Commission for the Supervision and Control of Forest Operations was appointed and strove to obtain reasonable wages for workers and to see that they were compensated for 1933-34 operations.

The work of the Commission for the Supervision and Control of Forest Operations which was set up in 1933-34 in the interests of better wages and indisputable contracts between contractors and lumber companies was well under way in 1934-35. In the latter year also were visible the fruitful results of the mission of 1933-34 sent to England by the Forest Products Commission in conjunction with the Canadian Lumbermen's Association to plead for the woods of Canada; in this enterprise the Provinces of Ontario and New Brunswick also had contributed to the delegates' expenses.

The Department expressed the hope in the 1934-35 Report that the Maritime Operation Corporation, affiliated with the Canadian Celanese Company, to whom a forest block of 524 miles had been leased, would change their existing process by which cotton waste was utilized instead of wood pulp in the manufacturing of Celanese.

In 1933-34, ten beach and deep water lots were leased by the Department; one permit was granted for water power development, and the total receipts for the Hydraulic Service were $612,242. In 1934-35, a total of eight beach and water lots were transferred to the Dominion Government, the total receipts increasing to $664,235, and no grant of waterfalls or rapids was made as the new laws passed during the Session of the Legislature stipulated that any alienation or lease of hydraulic power having an average natural force of 500 h.p. or over, could only be made under an Act of the Legislature, except where the lease was to a municipal corporation. This did not influence the Beauharnois Company which continued its work in spite of the threat by the Ontario Hydro-Electric Commission to cancel the original agreement to purchase up to 250,000 h.p.; and notwithstanding this, their installation increased from 228,000 h.p. to 440,000 h.p.

Roads

No general inventory of roads in the Province of Quebec was taken at the beginning of 1935 according to the Reports of the Department of Roads for the two fiscal years, 1933-34 and 1934-35. The last inventory of Jan. 31, 1934, showed a total length of 35,148 miles of rural roads, divided into three classes: first class, 5,924 miles; second class, 8,819; and third class, 20,405. At the end of the 1934 season the total length improved rose to 16,926 miles, distributed as follows: first class, 5,721 miles; second class, 5,980 miles; and third class, 5,225.

The Main Highways System comprised fifty-eight main arteries of communication and eleven branches, forming a total length of 5,924 miles. The net-work consisted of fifty-three main arteries at the end of 1934, as well as eight branches. At the same date, the System comprised 5,722 miles of paved or gravelled roads, and 202 miles in process of construction or improvement. In 1935 there was a total length of main highways of 5,924 miles, of which 5,788 miles were improved and 136 miles under construction. The Trans-Canada Highway, which connects the Federal Capital with the Capitals of eight of the nine Provinces of Canada, included 437 miles in the Province of Quebec, from the New Brunswick boundary to that of Ontario.

The total length of improved roads maintained by the Department in 1934 was 15,444 miles; and in 1935, 15,993 miles. The length of main highways maintained in 1934 was 5,615 miles; and in 1935, 5,706 miles. The length of second class and local roads maintained in 1934 was 9,829 miles; and in 1935, 10,287 miles. Between 1928 and 1935, a total of 1,698 curves, right-angle turns, or other dangerous spots were eliminated.

Winter roads extended for 397 miles through the Province in 1934—276 miles in the Montreal district; 106 miles in the Quebec district and 15 miles in the Chicoutimi district. In the following year, 453 miles were kept open—increases of 57 miles and 4 miles in the Montreal and Quebec districts, respectively, and a decrease of 5 miles in the Chicoutimi district.

One of the bigger projects and well under way at the end of 1935, was the connecting of Abitibi and Temiskaming with Gatineau and Labelle and from there to Montreal. The Highways System in Quebec, the Report stated, was one of the longest in Canada; it provided rapid communication interprovincially and with the United States. Tourist data showed that a total of 366,255 foreign automobiles entered Quebec in 1934 up to Nov. 1, of which 169,345 stayed no longer than 24 hours and 196,910 from 2 days to 2 months and more. Figures for the following year were 411,726; 176,343; and 235,383, respectively. Foreign automobiles entering the Province for long stays over interprovincial highways were estimated to Nov. 1, 1934, at 164,890 and to Nov. 1, 1935, at 201,496. The tourist industry in Quebec during 1935 in certain respects, attained as high a peak as that during 1929. Revenue for 1934 was estimated at $35,000,000, increasing to $45,000,000 in 1935. Total registration of motor vehicles on Dec. 1, 1934, was 162,000 and on Dec. 1, 1935, 171,000.

Mines

According to the Annual Reports of the Bureau of Mines for the years 1933, 1934 and 1935, the value of mineral production in the Province for 1933 was $28,164,540; for 1934, it rose to $31,310,752; and for 1935, to $39,141,734. The number of workmen employed was also an indication of improvement: increasing from 10,737 in 1933, to 13,180 in 1934, and to 15,473 in 1935. Wages for the three years amounted to $7,403,560, $9,445,532

and $11,136,456, respectively. In 1933, accidents to employees in all mines and quarries (with their annexed plants) resulted in 8 deaths and 349 injuries. The 1934 figures were: 436 accidents of which 13 were fatal—and the 1935 figures, 683 accidents of which 17 were fatal.

Production of metals in 1933 was valued at $16,360,011; in 1934, at $19,258,094; and in 1935, at $23,804,792. The value of non-metallics for each of the three years was: 1933, $6,043,308; 1934, $6,579,453 and 1935, $8,824,178; and of building materials, 1933, $5,761,221; 1934, $5,473,205; and 1935, $6,512,764. Gold was again the most important item in value, in the list of mineral products during the three years under review, production and value being as follows: in 1933: 382,886 ounces at $10,950,540; in 1934, 390,103 ounces at $13,458,554; and in 1935, 470,545 ounces at $16,558,478. The asbestos industry, which showed a marked improvement in 1933, fell off somewhat in 1934 but advanced in 1935. In 1933, there were 158,367 tons of asbestos shipped, valued at $5,211,177; in 1934, 155,980 tons, valued at $4,936,326; and in 1935, 210,467 tons, valued at $7,054,614.

In June, 1934, there were ten metal producing mines in Western Quebec, and in June, 1935, eleven. One of these was a copper mine in each case. Their collective mill capacity was 7,750 tons per day in 1934, and it rose to 7,975, in 1935. Credit was given the mining industry for having brought hydro-electric power into the region of Western Quebec. A network of the distributing company, the Northern Quebec Power Company, supplied power over a total length of 120 miles of main power line with the power plant on the Quinze River. During the period from 1924 to 1934, the Bureau of Mines spent $2,270,000 to open 323 miles of road to mining districts in Abitibi and Temiskaming, and during the fiscal year ended June 30, 1934, the Bureau expended $163,407 on mine-road construction, improvement and maintenance in Abitibi, Temiskaming and Gaspé.

That interest in the mineral potentialities of the Province was well maintained was indicated by the fact that no fewer than 11,995 claims were staked during the calendar year 1935, an increase of 598 over those of 1934. An Amendment to the Quebec Mining Act allowed that the owners, operators, managers, holders, lessees or occupants of mines should pay to the Government four per cent. on annual profits in excess of $10,000 up to $1,000,000; five per cent. on the excess above $1,000,000 up to $2,000,000; six per cent. on the excess above $2,000,000 up to $3,000,000 and seven per cent. on the excess above $3,000,000.

Public Works

Receipts of the Department of Public Works totalled $200,785 with Budgetary and Statutory Expenses of $1,565,389 and $1,844,411 in 1933-34, as compared with Receipts totalling $236,513 and Budgetary and Statutory Expenses of $1,660,435 and $1,694,274 in 1934-35, according to the Annual Reports for the two fiscal years, 1933-34 and 1934-35 (expenses incurred by direct relief and public works as relief not included).

One of the main activities of the Department was the administration of the direct relief laws which also included public works. A total of $21,715,707 was involved for the year 1933 while in 1934 the amount was $24,992,065 for direct relief. Public works accounted for $6,010,448 in 1933 and $88,370 in 1934. In 1933 for direct relief, the Province contributed $7,703,717 while the Federal Government gave $7,578,482 and Municipal Governments, $6,433,607. In 1934 the divisions were: Provincial, $11,386,844; Federal, $6,566,017, and Municipal, $7,039,203.

Public Works funds for relief in 1933 were divided as follows: the Province, $4,151,769; the Dominion, $929,339; and the Municipalities, $929,339. In 1934 the contributions were: the Province, $42,790; the Dominion, $22,790 and the Municipalities, $22,790. The Report showed that from the first Relief Act passed in 1930 until the end of 1934, a total of $95,126,683 had been spent by the three governing bodies.

The Municipalities or missions which benefited under the Relief Acts of 1933 and 1934 totalled 312 and 110, respectively. The first figure included 240 rural and 72 urban; and included in the total of 110 were 56 rural and 54 urban.

The following figures show the total number of persons assisted by relief: in August, 1933, 336,799; in August, 1934, 280,356; in March, 1934, 368,942; in March, 1935, 392,456; in June, 1934, 311,608; and in June, 1935, 349,373.

In 1933-34, a total of 10 bridges was built and in 1934-35, 21. At the end of the year 1933-34 there were still 17 bridges under construction and at the end of the year 1934-35, 23. From 1908 to the end of the fiscal year June 30, 1935, bridges built numbered 1,312 at a total cost of $21,347,358 of which the Government gave subsidies of $15,675,237. Total length of bridges under construction on July 1, 1934, was 7,114 ft. and on July 1, 1935, 7,692 ft. The estimated cost of these bridges, including large bridges, was, in 1934, $3,201,351 and in 1935, $666,349. From nine toll bridges operated by the Department. a revenue of $157,237 was realized in 1933-34, with maintenance cost deducted, and $191,366 in 1934-35. The Maintenance Department did work on 216 bridges in 1933-34 and 287 in 1934-35. Work on the Island of Orleans Bridge had been continued during 1934-35 and the six piers included in the centre portion of the project had been built during the favourable season. During the Winter and Spring, contractors worked on the erection of two steel towers 224 ft. in height.

The Fire Commissioner reported that in 1933 grants totalling $180,494 were paid to 56 Municipalities who installed fire protection systems or improved those they already had; and in 1934 grants totalling $129,239 were paid to 47 Municipalities for the same purpose. Special bonuses were also paid to 22 Municipalities in 1933 and 16 in 1934 which changed their hose couplings or made those in use similar to the type adopted for the Province. These bonuses in 1933 totalled $2,799 and in 1934, $2,368. Property loss by fire in 1933 amounted to $10,862,250, of which $7,992,731 was covered by insurance; and in 1934, $7,567,975, of which $6,280,807 was covered by insurance. In 1933 there were 115 fires and in 1934, 107, in which the loss was more than $10,000. The total loss caused by these fires in 1933 was $4,973,874 and in 1934, $4,006,162. Fire fatalities in 1933 numbered 49 and injuries, 290; and in 1934 fatalities numbered 42 and injuries, 209. In 1933-34, 387 inquiries into fires were requested; 315 inquiries were held; and out of 47 accusations there were 22 convictions.. in the year 1934-35, 502 inquiries were requested; 371 inquiries were held; and out of 66 accusations there were 30 convictions.

Agriculture

The reorganization of the Department of Agriculture in the fiscal year 1933-34 had in view greater economy in the apportionment of subsidies; a more effective control of expenses; greater efficiency by the co-operation of every employee in a definite plan of activities; and better discipline by proportioning the expansion of the various activities to their importance in the farming system. A council of Heads of Services was formed made

up of the Director of Services (President), the Head of the Administrative Service (Secretary), the Head of the Agricultural Economics Service, the Head of the Animal Husbandry Service, and the Head of the Horticultural Service. This Council supervised the preparing and carrying out of a programme adapted to the various Agricultural Districts of the Province and the administration of funds of the Department.

According to the latter's Annual Reports for the years 1933-34 and 1934-35, exterior organization consisted of the dividing of the Province into 20 Agronomic Districts in charge of 19 Agronomists and field men; this was considered one of the most important cogs of the Department. Activities in this field for 1933-34 and 1934-35 were, respectively, lectures: 6,738 and 7,141; demonstrations: 5,528 and 72,252; visits: 178,272 and 199,290; copies of circulars sent out: 271,303 and 249,195; letters written: 1,057,926 and 180,690.

Co-operatives in agriculture continued to play an important rôle, 119 having been incorporated up to the end of September, 1935. Butter factories formed the largest portion of this total. The membership in 1934 was 20,445. Total sales for 1933 amounted to $8,235,816; for 1934, $8,432,397. Total purchases for 1933 were $7,453,847 and in 1934, $7,456,242. Gross profits rose from $781,969 in 1933 to $976,155 in 1934, and, while there was also a substantial increase in disbursements, net profits showed an increase from $86,456 in 1933 to $116,287 in 1934. Authorized capital which stood at $783,645 in 1933, rose to $846,912 in 1934, and paid-up capital for the two years totalled $631,109 and $693,506, respectively.

The Drainage Section continued to assist farmers with substantial subsidies during 1933-34 and 1934-35. Furthermore, a large number of watercourses were dredged with the use of the fleet of powerful ditching machines purchased by the Department in 1933-34; while in 1934-35, particularly important work was done due to the increased mechanical advantages of the Department.

On June 30, 1934, there were 50 demonstration farms, 41 being managed by ordinary farmers and 9 by religious communities. Five new contracts were granted on Jan. 1, 1935, to farmers and clergy members.

A steady improvement was noted in live stock, despite low prices for animal products and to better the breeds, the Department offered a premium of $8 for the purchase of young bulls born of a qualified parent, or of $12 for one born of qualified parents.

On Dec. 31, 1933, there were 1,325 dairy factories operating in the Province, distributed as follows: 648 butter factories, 275 butter and cheese factories, and 402 cheese factories. In 1934, the total number of factories was reduced by 53—a decrease of 22 butter factories, and of 42 cheese factories, while there were 11 more combined factories in 1934 than in the previous year. In 1933, the factories produced 63,594,688 lb. of butter valued at $12,514,764. There were 14,197,000 lb. of home-made butter valued at $2,484,000. Statistics for 1934 showed 69,325,144 lb. factory, valued at $14,024,419 and 14,765,000 lb. home-made, valued at $2,658,000. Cheese statistics (production and value) were: factory, 1933: 25,521,945 lb. at $2,465,388; 1934: 21,676,736 lb. at $2,071,379; home-made, 1933: 250,000 lb. at $25,000; 1934: 250,000 lb. at $25,000.

The Horticultural Service revealed that damage done by severe cold to commercial apple groves during the beginning of the Winter of 1933 was more considerable than anticipated, with nearly 100,000 trees killed: about 50 per cent. in groves in the district of Montreal and 25 per cent.

in Quebec district. During the spring of 1935, 29,000 apple trees were planted through the Pomological and Fruit Growers Society with the help of the Department of Agriculture.

Tests were carried out on freezing and the sale of frozen products. The findings were so conclusive that the Quebec Federated Co-operation decided to freeze large quantities of Gaspé strawberries, raspberries and peas at cropping time so as to prevent a glutted market and to raise prices.

The honey crop for 1933 was above that of the previous year. Statistics showed that there were 70,530 colonies of bees, harvesting 3,753,000 lb. of honey—an average of 53.2 lb. per colony. A drop of about 9 per cent. was shown in the 1934 crop, the output being 3,445,000 lb. with an average of 64.0 lb. per colony. The drop in production was explained, the Report said, by the increased number of hives destroyed owing to American foul brood. In 1933 Inspectors burnt 2,172 hives, and $12,652 indemnity was paid to owners, as compared to 2,868 hives burnt, and $19,360 indemnity paid in 1934.

The 1934 maple sugar crop was very little better than that of the preceding year. (In 1933 the crop was about 50 per cent. of normal). Prices, however, were 25 per cent. higher due to the co-operative organization, The Quebec Maple Sugar Producers' Association, which kept the prices up. The year 1935 was 30 per cent. better than 1934 both as to quantity and quality of maple sugar with 1,282,500 gal. of syrup and 4,275,000 lb. of sugar, worth $1,911,000, produced in the Province.

The Council of Agriculture met in Quebec on Mar. 15, 1934, and on Mar. 12, 1935, reporting 90 Societies with 23,211 members, and 91 Societies with 26,339 members, respectively. In 1933, there were 732 Farmers' Clubs with 38,904 members as compared to 745 Clubs with 41,845 members in 1934.

The results of the Agricultural Merit Competition were proclaimed at a Festival held at Quebec on Sept. 6, 1933, when 76 decorations were awarded to lucky competitors. The gold medal was won by Willy Bigué, Ste. Anne de la Pérade and Paphnuce Bonin, Lourdes de Joliette. In connection with the competition 143 farms had been surveyed. The 1934 competition of the Agricultural Merit was held with 111 farms judged. The gold medal was awarded to François Tremblay of Hébertville, Lake St. John. Sir William Dudley, O.B.E., J.P.; R. F. Lancaster and Charles A. Harrison of London, England, were made Commanders of the Order of Agricultural Merit for services rendered the Province through the sale of agricultural products on the British market.

Colonization, Game and Fisheries

The Annual Report for 1933-34 of the Department of Colonization, Game and Fisheries showed Departmental Expenditures totalling $4,349,172 and Receipts, $431,639. The former included $878,208 for direct relief; $10,013 for aid to settlers; $118,929 for administration expenses; $239,205 for colonization roads as a Capital expenditure; $547,225 for colonization roads and aid to colonization; $160,000 for administration, sale and inspection of public lands for agricultural purposes; and $505,000 for premiums for clearing, ploughing and residences; $20,000 for immigration, colonization and publicity; $318,700 for fisheries, game and pisciculture, breeding of fur-bearing animals and Zoological Gardens; $23,225 for improvement and maintenance of parks; $240,000 for maritime fisheries; $44,489 for the administration of the Return to Land Commission and aid to settlers who suffered from bush fire during the Spring, $22,768.

The total Revenue of $431,639 for 1933-34 included the following items: $41,362 from sale of public lands for agricultural purposes; $362,375 from fisheries and game; $27,519 from the Laurentides National Park; leases on lakes and rivers, $133,727; fishing licences, $7,550; net fishing licences, $11,444; leases on hunting territories, $65,896; hunting licences, $22,560; and $50,130 for royalty on furs.

The Colonization Lands Service reported for 1933-34 that the number of lots sold for colonization purposes, comprising an area of 556,289 acres, had set a record at 5,989. Apart from this, there had been 390 settlers established according to the Gordon Plan. Letters Patent were issued for 201 lots. Sales of revoked lots of settlers numbered 1,445, or an area of 136,847 acres. During the year 1933-34, 36,658 acres of land were cleared and sown and 18,479 acres plowed for the first time, a decrease over the previous period owing to unfavourable weather. Through legislation the Department was able to make grants to farmers' sons, permitting the establishment of 800 young farmers.

The Laurentides National Park was visited by 14,375 automobiles bearing 71,805 persons and a general increase in game was reported in 1934. The report of the Quebec Zoological Garden showed that there were 125,334 visitors to the Park during 1934.

The Provincial Fish Hatcheries reported that during the Summer of 1933, 386 parent salmon were captured and yielded 1,165,000 eggs. These were distributed in the Province for the most part. Collection of trout eggs for the season amounted to 634,000.

Colonization

During the fiscal year 1934-35 Colonization was a separate Department. The Report for the period stated that a total of $1,070,500 had been paid out by the Department in the form of subsidies for colonization roads, aid to colonization and aid to certain settlers who suffered damages from bush fires during the year. Late Spring had caused a delay in Classification, a new undertaking, and a lack of means of communication forced the postponement by several weeks of the establishment of groups in certain townships. However, more than 5,000 settlers were established during the course of the Summer and aid was given to a great many others. The Department reported for 1934-35 the following particulars: the sale of 3,964 lots comprising an area of 364,048 acres; the revoking of the sale of 1,365 lots; the issuing of 249 Letters Patent; the establishment on lots sold of 1,481 new residents; the sowing on 33,503¼ acres of newly cleared land and the new ploughing of 15,075 acres.

The Colonization Lands Service, reorganized, surveyed 2,288 square miles of land and over 30,000 lots were classified, more than half of these being found suitable for settlement. Upon completion of classification, 2,640 lots were transferred to the Department of Colonization. In accordance with back-to-the-land movement the Department acquired 171 vacant lots.

The new Service, the Establishment of Farmers' Sons, received 11,746 applications from Oct. 1, 1934, to Jan. 1, 1936; these with the number of the previous year, totalled 13,842. During this period of fourteen months, 5,639 initial payments were made. Applications refused totalled 2,471; applications still under consideration were 4,904.

Nineteen Diocesan Colonization Societies, sixteen of which were Catholic and three, Protestant, sent in 12,369 applications for would-be settlers

during the year. Settlers established totalled 3,100; these were settled in houses newly erected by those from amongst their number, with building experience. Families given transportation during the fiscal year totalled 1,249.

To enable poor families to establish on vacant lands, a grant of $300 was offered and a loan, up to $500, for the purchase of farm stock. Thus, with the aid of the Department, 564 families had been settled by Dec. 31, 1935. Under the new colonization laws, loans amounting to $52,650 were made to 162 people; these were without interest and were reimbursable at the rate of $100 per year starting from the fourth year after establishment.

Game and Fisheries

The Annual Report of the Game and Fisheries Service for 1934-35 was included with that of the Department of Public Works. Total Receipts of the Service for the fiscal year 1934-35 were $399,735. Bounties of $15 each for the destruction of wolves paid by the Service during the year totalled 280. Three thousand farms raised fur-bearing animals valued at more than $2,000,000.

The total value of the Maritime Fisheries for 1934 was $2,306,517 as compared with $2,128,471 for 1933. The total quantity of all kinds of fish caught, of which cod was the most valuable, was 106,562,300 pounds. The amount of capital invested in equipment and fish-canning and -curing establishments in 1934 was $2,935,119 as compared with $2,839,351 in 1933. The number of men employed in the catching and landing of fish was 13,981 and the number of persons employed in fish-canning and -curing establishments was 1,110, making a total for the industry of 15,901, an increase over the total of 14,566 for 1933. Due to the establishment of cold storage plants on both the North and South shore of the Gulf the Province was becoming a factor in local fresh fish markets; four bait freezers were constructed during the year at various points along the coast and a total of 1,800,000 pounds of bait was frozen.

During the year 1935, 866 Provincial residents, 683 tourists from the surrounding Provinces and the United States visited the Laurentides National Park camps and 340 persons availed themselves of the fishing privileges—making a total of 1,889 visitors, an increase of 168 over the previous year. During the Summer, 811 foreign cars passed through the gates of the Park with 2,194 passengers and 4,845 Quebec cars with 14,530 passengers.

Labour

The Collective Labour Agreements Extension Act was held largely responsible for the substantial increase in the activities of the Department of Labour according to the Annual Report for the fiscal year 1934-35. During this year 42 Orders-in-Council were adopted which rendered obligatory the provision of collective agreements between employers and workmen's representatives. Of these, 24 affected the building industry trades in nearly all industrial centres of the Province; 3, the shoe, clothing and glove industry; 2, the longshoremen; 5, barbers and hairdressers; 6, the baking industry; 1, the fur industry in Montreal; and 1, the printing industry in Quebec. Thus, 7 industries came under the Act, the application of which, it was estimated, produced an increase of several millions in workmen's payrolls.

The Inspection Service of industrial and commercial establishments and public buildings, in addition to inspection, saw to the enforcement of hours of work, weekly day of rest, wage and working conditions legislation throughout the Province. In 1933-34 the 18 inspectors of the Service made 4,835 inspections of all kinds; and in 1934-35, 5,569.

The year 1933-34 saw the further enforcement of the Act respecting the limiting of working hours in the Province by the adoption of two Orders-in-Council which established a 40-hour week in the building industry in Montreal and Quebec regions, with an 8-hour day.

In July, 1933, a new Act, entitled the Pipe-Mechanics Act, came into force; it decreed that contractors, journeymen and apprentice pipe-mechanics acting in cities and towns of over 10,000 should have licences, obtained after an examination as to competency. According to the Annual Reports of the Board of Examiners of Pipe-Mechanics, there were issued in 1933-34, 401 contractors' licences, 759 journeymen's licences, and 368 apprentices' licences. Figures for 1934-35 were 587, 1,552 and 800, respectively. Compulsory examinations made workmen more willing to attend night school and necessarily eliminated a large number of persons who made installations without having required technical competency.

Reports of the Women's Minimum Wage Commission for the two fiscal years 1933-34 and 1934-35 were also included in the Reports of the Minister of Labour. In 1933-34, distributed over 14 different industries, 37,866 workwomen benefited from the Commission's Enactments; in 1934-35 this total increased by 10,955. The average basic wage for women in Montreal rose from $12.64 in 1934 to $12.78 in 1935; in the Province, outside of Montreal, from $9.84 in 1934 to $10.27 in 1935. The actual wage in Montreal, however, owing to the necessary reduction of working hours was $10.94 per workwoman per week for 1934; it reached $11.00 in 1935. In the rest of the Province, the workwoman's actual weekly wage rose from $8.45 in 1934 to $9.07 in 1935. The average duration of work in governed industrial and commercial establishments was practically stabilized in 1935 at 48 hours a week. In the industrial establishments of Montreal City, the average effective duration of work was 41 hours; in the Province, outside of Montreal, 45 hours. In 1933-34, the Commission took 47 judicial proceedings against employers for infringement of the Enactments or of the Act, 5 other proceedings being settled out of court, and refunds of wage differences of $4,504 were obtained. In 1934-35, the figures were 67 judicial proceedings and $11,135 wage refunds.

The Provincial Employment Bureaux had in 1933-34, 76,861 registrations and in 1934-35, 100,111. Positions offered in 1933-34 numbered 39,100 and in 1934-35, 57,956. References submitted in 1933-34 totalled 42,174 and in 1934-35, 62,280. The number of placements was 30,490 in 1933-34, and 48,317 in 1934-35. In 1934-35 as an experiment, during the active season, two new Bureaux were opened and a few weeks later were closed; the Amos Bureau was also closed due to administrative reasons.

During the two fiscal years 1933-34 and 1934-35 there were few strikes or labour disputes in the Province. The dispute between the Gas Fitters Union and the Montreal Coke Manufacturing Company of the Town of La Salle was carried into the following year, an Arbitration Court sitting in the case. The dispute between the St. Tite Shoe Company, Limited, and the Syndicat des Travailleurs de Chaussures de Saint-Tite of 1934-35 also had an Arbitration Court. The salient points of the decision of the Arbitration Council for the first mentioned dispute were: that the Company should recognize the Union, and that foreign radical associations animated with

a spirit inconsistent with the law of this Province should not interfere with Canadian workers; for the second, the Arbitration Council, for the purpose of conciliation, suggested that the employers should accept with good grace and in good faith the introduction of the National Syndicates of St. Tite and that they should co-operate amicably with the said Syndicates. There were also disputes in the clothing industry at Victoriaville and the shoe industry in Montreal during the year 1934-35.

In 1933-34, Receipts of the Department of Labour amounted to $194,030 and Expenditures, $442,770. In 1934-35 Receipts totalled $236,957 and Expenditures, $506,018.

Workmen's Compensation

The Quebec Workmen's Compensation Commission, in its Annual Reports for the years 1934 and 1935, stated that there had been in 1934, 35,436 accidents and in 1935, 39,007. Employers registered with the Commission numbered, at Dec. 31, 1934, 9,498 and at Dec. 31, 1935, 9,489. Total claims for 1934 and 1935, respectively, were as follows: medical aid only, 15,773 and 17,196; compensation, 15,642 and 17,821; and death, 142 and 146. The Commission accorded benefits totalling $2,409,021 in 1934 and $3,143,469 in 1935. Of these totals compensation accounted for $1,538,130 in 1934 and $2,061,486 in 1935; medical aid, for $484,565 in 1934 and $619,222 in 1935; and Schedule 2 compensation, for $386,326 in 1934 and $462,761 in 1935. Total expense of administration was $237,260 in 1934 and $243,922 in 1935; of these amounts $33,789 in 1934 and $20,337 in 1935 were payable by employers under Schedule 2. More than 75 per cent. of administration costs was attributed to salaries paid by the Commission during the two years; these amounted to $184,455 in 1934 and $185,200 in 1935.

Amounts were granted for accident prevention in each of the two years, 1934 and 1935, as follows: Quebec Association for the Prevention of Industrial Accidents, $50,000 and $55,650; Quebec Pulp and Paper Safety Association, $9,733 and $11,000; Quebec Lumbermen's Accident Prevention Association Inc., $4,667 and $7,000; Quebec Public Utilities Safety Association, $1,000 and $2,000.

No serious disasters occurred in either 1934 or 1935. The Disaster Reserve Fund amounted to $111,291 in 1934 and to $180,292 in 1935. The Pension Fund totalled, at Dec. 31, 1934, $2,214,493 and at Dec. 31, 1935, $3,287,313; these amounts did not include the reserves set aside for temporary rents. The Reports also stated that reserves in 1934 of $88,282 and of $69,666 in 1935 had been set aside to cover any losses that might be sustained in the collection of accounts due to the Commission.

Operations of the Commission showed a surplus in 1934 of $338,594 and a deficit in 1935; this deficit was offset by the surpluses for 1933 and 1934 which left a net balance at the end of 1935 of $311,092. The Commission issued in 1934, 94,029 cheques and in 1935, 113,220. The assessment roll comprised in 1934, 12,335 notices and the Commission received an average of 1,095 letters daily; figures for 1935 were 12,129 and 1,362, respectively.

Municipal Affairs

According to Reports of Municipal Affairs for the two fiscal years 1933-34 and 1934-35 ordinary municipal loans totalled $14,498,049 in the first period and $4,891,283 in the second. Included in the 1933-34 total was $12,228,799 for new loans, $1,963,950 for consolidation and $305,300 for renewals. Of the $4,891,283 total for 1934-35 over $3,000,000 was for new loans, approximately $1,000,000 for consolidation and $475,200 for renewals.

Unemployment relief municipal loans stood at $25,176,387 in 1933-34, an increase of 123.4 per cent. over the previous year. Of this amount $10,803,760 was payable by the municipalities; the balance represented temporary loans contracted by the different municipalities while awaiting payment of the two Governments'—Dominion and Provincial—shares. The figure for 1934-35 was $20,216,886, of which the municipalities' share was $9,596,360 and the two Governments' $10,620,525.

In 1933-34 there were three erections of municipalities including one village and two parish municipalities; in 1934-35 there were two erections, including one village and one unclassified municipality.

Reorganized and changed in name, the Ministry of Municipal Affairs, Trade and Commerce presented its Annual Report for 1934-35 under the signature of the Hon. T. D. Bouchard who had succeeded the Hon. L. A. Taschereau (Prime Minister also at the time) in June, 1935. After the General Election of 1936, Mr. Joseph Bilodeau headed this Ministry. With the addition of Trade and Commerce, the Minister had charge of supervising the administration of the laws respecting the municipal system; favouring, by all the methods and means which he might deem adequate, the advancement and the development of the trade and commerce of the Province; co-operating with the Dominion Government in the operation in the Province of Dominion legislation relating to trade and commerce and suggesting practical measures for the rational sale and utilization of Provincial products both in Canada and other countries.

The Quebec Liquor Commission

In reviewing the Commission's Reports for the two fiscal years, 1933-34 and 1934-35, three outstanding changes affecting its operations should be mentioned: the Police Department of the Commission was amalgamated with the Provincial Police on Aug. 1, 1934; the Information Bureau in Paris was abolished on Jan. 1, 1935, largely due to the high rate of exchange; and a reduction of Customs duties on spirits was voted by Parliament early in 1935.

The following were the comparative sales, in gallons for the periods under review—spirits for 1933-34, 487,324.8; and for 1934-35, 517,774.2; wines for 1933-34, 844,133.4; and for 1934-35, 979,746.2. The sales of spirits for 1934-35 were 27.8 per cent. lower than those for 1924-25, whereas an increase of 36.9 per cent. was recorded in the sales of wines over the total of 1924-25. Inventories taken at Apr. 30, 1934, showed liquor stocks valued at $1,488,550, and materials and supplies at $223,515. Corresponding figures for Apr. 30, 1935 were $2,290,442 and $195,998, respectively. On May 1, 1934, there were 225 employees in retail stores in the Montreal district, and in the following year, the number was reduced by 7. The Quebec district showed an increase from 77 on May 1, 1934, to 80 on May 1, 1935.

Permits granted in the district of Montreal totalled 1,646 in 1934-35, an increase of 78 over the previous year. For the district of Quebec there was a decrease of 6 permits, bringing the 1934-35 figure down to 242. Five municipalities repealed Prohibition By-laws in 1933, and four, in 1934. Statistics for samples registered, and number of reports of analyses were respectively: 1933-34, 3,733 and 9,251; 1934-35, 2,967 and 10,730.

Gross receipts from sales totalled: for 1933-34, $11,370,603; for 1934-35, $11,688,510. Revenue from permits and seizures, for 1933-34, was $1,236,138; for 1934-35, $1,677,330. The Commission paid out for purchases of stock, other operating charges and general expense, $3,741,220 in 1933-34 and

$3,466,309 in 1934-35. To the Federal Government for Customs Excise and Sales Tax was paid $3,525,985 in 1933-34 and $3,690,431 in 1934-35. The net operating profits were $4,103,398 in 1933-34 and $4,531,770 in 1934-35. Total Revenue amounted to $5,339,536 in 1933-34 and $6,209,100 in 1934-35. The amount turned over to the Provincial Government and for expenditure on Capital Account was $5,500,000 in 1933-34 and $3,500,000 in 1934-35; in the former year an amount in excess of profits was handed to the Provincial Treasurer.

Education

The Annual Reports for the two fiscal years 1933-34 and 1934-35 of the Department of Education gave the following particulars for the two periods—number of school municipalities at June 30, 1934, 1,666; at June 30, 1935, 1,671; number of school corporations at June 30, 1934, 1,852; at June 30, 1935, 1,857; Catholic corporations at June 30, 1934, 1,511; at June 30, 1935, 1,515; Protestant corporations at June 30, 1934, 341; at June 30, 1935, 342. Of the Catholic corporations, the number under commissioners and under trustees was: at June 30, 1934, 1,468 and 43 respectively; at June 30, 1935, 1,472 and 43 respectively. The figures for Protestant corporations under commissioners and under trustees were: at June 30, 1934, 198 and 143 respectively, and at June 30, 1935, 200 and 142.

Catholic schools numbered 8,069 in 1933-34 (given in the Report of the Superintendent of Education for 1934-35), an increase of 228 over 1932-33. Only a slight increase was noted in the number of teachers, with 6,630 male and 16,549 female in 1932-33; and 6,855 male and 16,610 female in 1933-34. There were 693 Protestant schools with 955 male teachers and 2,437 female teachers in 1932-33; while for the following year the figures were 699 schools staffed by 982 male teachers and 2,401 female teachers.

Since 1930, the level of the average salaries paid to the teaching staff in primary schools had been continuously lowered. The average salary paid to lay male teachers in Catholic schools was $1,603 in 1932-33 and $1,566 in 1933-34; that of female teachers was reduced from $361 in 1932-33 to $331 in 1933-34. The rural schools were largely responsible for these low averages. In Protestant schools, the average salary paid to male teachers was reduced from $2,543 in 1932-33 to $2,304 in 1933-34; that of Protestant female teachers from $1,125 in 1932-33 to $1,086 in 1933-34.

School attendance statistics (from the 1934-35 Report) for Catholic institutions showed that in 1932-33, 587,694 children attended, the number comprising 301,389 boys and 286,305 girls; while in 1933-34, 594,560 children attended, 305,198 being boys and 289,362, girls. In Protestant institutions there was an attendance in 1932-33 of 85,896, of whom 44,866 were boys and 41,030, girls. The following year (1933-34) the figures for Protestant schools were down somewhat, with an attendance of 85,764, comprising 44,711 boys and 41,053 girls. Average attendance at the Catholic schools in 1932-33 was 84.44 per cent.; while in 1933-34 it rose to 86.1 per cent. The Protestant schools had lower records for average attendance—in 1932, 81.2 per cent. and in 1933-34, 81.52 per cent.

General school contributions showed that the Department of Education paid out: in 1932-33, $4,042,496; and in 1933-34, $3,850,063. Other Departments paid: in 1932-33, $1,824,282 and in 1933-34, $1,369,454. Contributions from Municipalities and independent institutions totalled $28,725,184 and $29,149,658 respectively, in the two years.

In 1933-34 there were 174 Catholic schools built or repaired at a cost of $1,644,724. While the number of schools built or repaired rose to 333

in 1934-35, the cost was only $1,075,434. Statistics for Protestant schools showed 185 built or repaired in 1933-34 and 147 in 1934-35; the cost for the two years being $126,008 and $130,070 respectively.

At McGill University, Montreal, the total enrolment of 3,024 for the season 1935-36 included 2,522 degree students. This compared with 3,015, of which 2,675 were degree students, for 1934-35. The University conferred degrees on 580 students at its two Convocations, Oct. 6, 1935, and May 28, 1936; and 600, at the two Convocations of Oct. 6, 1934, and May 30, 1935. On this latter occasion the Honorary degree of Doctor of Laws was given by the University to Oswald Theodore Avery, M.D., HON. D.SC., Member of the Rockefeller Institute; to Arthur Stewart Eve, M.A., D.SC., LL.D., F.R.S., retiring Macdonald Professor of Physics, Director of the Department, and Dean of the Faculty of Graduate Studies and Research, McGill University; to the Hon. Joseph Adelard Godbout, D.SC.A., Minister of Agriculture for Quebec; to the Hon. William Joseph Parnell MacMillan, M.D., C.M., Prime Minister of Prince Edward Island; and to the Rev. Abbé Georges Lemaitre, PH.D., SC.D., University of Louvain. A special Convocation, Nov. 23, 1935, was held to honour in the same way His Excellency the Governor-General of Canada, the Rt. Hon. John Buchan, Baron Tweedsmuir of Elsfield, G.C.M.G., LL.D., D.LITT. At the usual Spring Convocation of 1936 (May 28) recipients of this Honorary degree (LL.D.) were as follows: Ernest William Brown, SC.D., F.R.S., Yale University; Stephen Butler Leacock, PH.D., LITT.D., D.C.L., McGill University; John Livingston Lowes, PH.D., LITT.D., Harvard University; the Rev. Gerald Joseph McShane, Montreal; Charles Ferdinand Martin, M.D., C.M., D.C.L., McGill University; and Jean-Léon-Olivier Maurault, Rector of the University of Montreal. Again, at the Autumn Convocation of the same year (Oct. 22) McGill University conferred the Honorary degree of Doctor of Laws upon five other well-known members of the educational and scientific world; these were Maud Abbott, M.D., C.M., Nevil Norton Evans, M.A.SC.; William McClure, M.D.; Phillip Dansken Ross, B.A. SC.; and Sherman Charles Swift, Editor of *The Braille Courier*. On Oct. 5, 1935, Mr. A. E. Morgan, M.A.,* formerly Principal of University College, Hull, England, was installed as seventh Principal of McGill, succeeding Sir Arthur Currie, whose death had occurred late in 1934.

At the University of Montreal the enrolment of students for the year 1934-35 was 7,823; and for 1935-36, 8,383. The 1935 Annual Convocation was held on May 29, when 670 degrees were conferred on students. In the following year at the Spring Convocation (May 29) 845 students received degrees. Honorary Degrees conferred by the University at the 1935 May Convocation were: Doctor in Law, upon the Hon. Ernest Lapointe; the Rt. Hon. Sir Lyman P. Duff, Chief Justice of the Supreme Court of Canada; the Hon. Alfred Duranleau, Minister of Marine; the Hon. R. A. E. Greenshields, Chief Justice of the Superior Court of Montreal; and Ernest Guimont, Director of the Banque Canadienne Nationale. Wilfrid Bovey was granted the degree of Doctor of Literature, and Doctorates of Dental Surgery were conferred upon Dr. Raoul Lafond, Dr. Stanislas Gaudreau and Dr. Georges S. Kent. Adhemar Mailhot received the Doctorate of the Polytechnical School of Montreal; and Mrs. Albertine Morin-Labrecque, the Doctorate of the Conservatoire National de Musique. The Honorary Degrees conferred at the Convocation of 1935-36 were as follows: Doctorates of the University of Montreal—the Rev. Siste Allaire, Madame L. de G.

*NOTE.—Mr. Morgan resigned on May 31, 1937; Dr. W. H. Brittain, Vice-Principal of Macdonald College, was appointed Acting Principal from June 1, 1937, until such time as a Principal should be appointed. Dr. Lewis W. Douglas was appointed Principal on Oct. 4, 1937, and installed on Jan. 7, 1938.

Beaubien, Jean-Baptiste Lagacé and William Procter; Doctor of Literature —Edouard Zotique Massicotte and Aegidius Fauteux; Doctorates in Veterinary Surgery—the Hon. Adelard Godbout, Dr. C. D. McGilvray, Dr. W. J. R. Fowler, Dr. Georges Hilton, Dr. Louis-Philippe Roy and Dr. Adrien Morin.

The School of Higher Commercial Studies, Montreal, (affiliated with the University of Montreal) had 1,029 students in attendance in 1935-36 as compared with 938 in the preceding year. Degrees conferred in 1935-36 totalled 35 and in 1934-35, 23. In 1935-36, 8 students received the degree of Bachelor of Commerce; 26, of Master of Commerce; and one, of Chartered Accountant. In the preceding year, there were 3 Bachelors of Commerce, 19 Masters of Commerce, and one Doctor of Commerce. The year 1935-36 was a special one for the Institution in that it marked the 25th Anniversary of the School.

Laval University, Quebec, with its affiliated colleges had a registration of 6,128 in 1934-35, and of 8,173 in 1935-36 according to the Annual Reports of the University. A total of 1,709 diplomas and certificates were issued to boys and girls in 1934-35, and 1,878 in 1935-36. Honorary degrees were conferred during 1935 as follows: Doctor of Laws—the Hon. E. L. Patenaude, Lieutenant-Governor of Quebec; and the Hon. Roméo Langlais, Justice of the Superior Court of Quebec. Honorary Degrees conferred in 1936 were: Doctor of Letters—M. Maurice L. Hébert, Quebec City; and the Rev. Edward Kelly, Toronto; Doctor of Sciences—M. Théophile Constant Denis, Quebec City, and Leo Parizeau, University of Montreal; Doctor of Agricultural Sciences—Cyrille Vaillancourt, Lévis. In 1934-35 a new Faculty of Philosophy was formed with Canon A. Robert as Dean. Four former professors of the University were named as Professors *Emeritus*; they were Sir Thomas Chapais and Sir Georges Garneau, in the Faculty of Arts; the Hon. Alphonse Bernier and the Hon. Edouard Dorion in the Faculty of Law.

At the University of Bishop's College, Lennoxville, the total enrolment for 1934-35 was 163; and for 1935-36, 146. At Convocation on June 20, 1935, the Honorary degree of Doctor of Civil Law (D.C.L.) was conferred on the following: the Rt. Rev. Lennox W. Williams, Quebec; the Rt. Hon. Sir George H. Perley, K.C.M.G., Ottawa; Prof. Charles Ferdinand Martin, McGill University; and the Hon. Vincent Massey, P.C., Port Hope, Ont. At the 1936 Convocation (June 18) five Honorary degrees were bestowed: Doctor of Divinity (D.D.) on the Very Rev. William Henry Moorhead, M.A., Fredericton, N.B. The degree of Doctor of Civil Law was conferred upon the following: the Rev. D. B. Rogers, M.A. of Toronto; the Hon. Esioff Léon Patenaude, Lieutenant-Governor of Quebec; Frederick Simpson Coburn, R.C.A., Montreal; and Jackson Dodds, O.B.E., Montreal. At a meeting of the Convocation on Apr. 3, 1936, the degree of Bachelor of Science (B. Sc.) was established, the complete course for the degree to extend over a period of three years. Owing to the financial condition of the University the corporation at a meeting on Oct. 23, 1936, approved of a plan for an appeal to the public for $300,000 to meet the immediate needs of the institution.

Municipal Elections of 1936

As announced by Mr. Duplessis (Prime Minister) Municipal Elections were held in Montreal Dec. 15. The mayoralty candidates were Ex-Mayor Camillien Houde, Adhemar Raynault and Candide Rochefort, the two last being both of them Aldermen and National Union Members

of the Legislative Assembly. The real fight all along was between Messrs. Houde and Raynault who disliked each other and interest was lent to the contest by the fact that Mr. Raynault was a supporter of the Duplessis Administration while Mr. Houde was among its severest critics. The results were, Raynault, 52,586 votes; Houde, 49,128 votes; and Rochefort, 17,844 votes. The Raynault victory was interpreted as a fresh triumph for the National Union Party. The Aldermanic campaigns were featureless. Of the 28 Aldermen who ran but two were defeated; while in all of the 35 seats there were only 7 newcomers to the City Hall. There were no contests for 2 seats. All 5 Aldermen who had been on the Executive Committee were returned. Their deposits were lost by 25 candidates.

The Province of Quebec

(As at Dec. 31, 1936)

Lieutenant-Governor ..... The Hon. Esioff Léon Patenaude

The Duplessis Ministry (Union Nationale)

(As at Dec. 31, 1936)

Prime Minister, President of the Council, and Attorney-General	The Hon. Maurice L. Duplessis
Minister of Lands and Forests	The Hon. Joseph Oscar Drouin
Minister of Roads	The Hon. Francois Joseph Leduc
Minister of Mines, Game and Fisheries	The Hon. Onesime Gagnon
Provincial Secretary	The Hon. J. H. Albiny Paquette
Minister of Public Works	The Hon. John S. Bourque
Minister of Agriculture	The Hon. Bona Dussault
Minister of Labour	The Hon. William Tremblay
Minister of Colonization	The Hon. Henry L. Auger
Provincial Treasurer	The Hon. Martin B. Fisher
Minister of Municipal Affairs, Trade and Commerce	The Hon. Joseph Bilodeau
Minister without Portfolio and Leader of the Legislative Council	The Hon. Sir Thomas Chapais
Minister without Portfolio	The Hon. Thomas J. Coonan
Minister without Portfolio	The Hon. Antonio Elie
Minister without Portfolio	The Hon. Gilbert Layton

Speaker, Legislative Assembly	The Hon. Jean Paul Sauve
Speaker, Legislative Council	The Hon. Alphonse Raymond

Heads of the Administrative Services

(As at Dec. 31, 1936)

Clerk of the Executive Council	Alfred Morisset
Clerk of the Legislative Council	R. A. Benoit
Clerk of the Legislative Assembly	L. P. Geoffrion
Deputy Attorney-General	Edouard Asselin
Assistant Provincial Treasurer	Arthur Foster
Provincial Auditor	Edgar Vezina
Deputy Provincial Secretary	A. Desmeules
Deputy Minister of Lands and Forests	F. X. Lemieux
Provincial Archivist	Pierre Georges Roy
Deputy Minister of Mines, Game and Fisheries	L. A. Richard
Deputy Minister of Agriculture	(Vacant)
Deputy Minister of Colonization	J. Ernest Laforce
Deputy Minister of Roads	(Vacant)
Deputy Minister of Public Works	Ivan Vallée
Deputy Minister of Municipal Affairs, Trade and Commerce	Louis Coderre
Deputy Minister of Labour	Gerard Tremblay
Director of Public Health	(Vacant)
Director of Mines	A. O. Dufresne
Superintendent of Education	Cyrille F. Delâge
Secretaries of the Department of Education	(Vacant) and Dr. Walter Percival

*NOTE.—For purposes of reference the Cabinet changes which occurred between Dec. 31, 1936, and Dec. 31, 1938, are given herewith: to Mr. Bourque's duties as Minister of Public Works were added those of Minister of Lands and Forests; Mr. Paquette, the Provincial Secretary, became also Minister of Health; and Mr. Anatole Carignan succeeded Mr. Leduc as Minister of Roads.

THE PROVINCE OF SASKATCHEWAN

Economic Conditions, 1935—1936

The year 1935 opened in Saskatchewan with a Liberal Government in power, headed by the Hon. James G. Gardiner. His Cabinet had been sworn into office on July 19, 1934, following the defeat, a month previously, of the Co-operative Government in a General Election. In October (1935) Mr. Gardiner, with the approval of the Liberal caucus of the Province, relinquished his position as Prime Minister in order to enter, as Minister of Agriculture, the newly formed Dominion Cabinet of the Rt. Hon. W. L. Mackenzie King. On Oct. 31, 1935, the Hon. William John Patterson, Provincial Minister of Natural Resources, was unanimously chosen by the Liberal caucus and the Liberal Party Council to succeed Mr. Gardiner. A native of the Province, he had entered the Legislature in 1921. On Nov. 1 he was sworn in as Saskatchewan's sixth Prime Minister, taking also the Portfolio of the Treasury. On Nov. 5 W. F. Kerr, M.L.A. for Regina, became Minister of Natural Resources. Another important administrative change of the two-year period in Saskatchewan was the appointment of Mr. A. P. McNab, Minister of Public Works and Telephones in the Dunning Cabinet of 1922-26, to succeed the Hon. Hugh Edwin Munroe as Lieutenant-Governor. Mr. McNab was sworn into office on Oct. 1, 1936, by Sir Frederick Haultain, Chief Justice of the Supreme Court of Saskatchewan.

Relief with its ramifications, and governmental financing were the two major problems occupying the attention of the Liberal Administration of Saskatchewan during 1935 and 1936. In 1934, when the Liberal Government took office, and in pursuance of the policy advocated during the Election, the Government formed a Relief Committee of the Cabinet and relief was handled directly by the Government Departments through the local municipalities.

In each of the two years there had been early expectations that the succession of poor harvests was at last to be broken. But in 1935 stem rust attacked the wheat crop over large areas and inflicted heavy losses both in the quantity and quality of the harvest, while in the Western part of the Province drought and heat did much damage and early frost in many sections added to the losses; then, in 1936, in addition to continued drought and other adverse conditions, the Province experienced an extremely severe plague of grasshoppers. The values of the crops in 1935 and 1936, however, were considerably higher than in the years immediately preceding them but they were still far below normal.

The Prime Minister (Mr. Patterson) in a Press interview in Toronto on Oct. 13, 1936, described the agricultural situation and explained why it was considered the most vital problem facing the Government. He pointed out the difference that existed between the 1936 crop failure and previous ones which had also hit the southwestern part of Saskatchewan. In 1935, he said, crops in this area had failed but the farmers had been able to raise vegetables in their gardens. In 1936 not even vegetables had survived the drought and the farmers had been forced to depend upon Ontario and the Maritime Provinces, whence carloads of food had been sent by the railways free of charge.

With the principal source of new wealth, the basic agricultural industry, so largely dried up over such a long period, the financial position of the Province, the municipalities and other local organizations, and the farmers demanded and received the primary consideration of the Provincial Government, the Legislature and other authorities. Important steps were taken looking to improvement in the position and to the solution of the financial problems attaching to these and other elements in the economic structure of the Province. While farmers generally had not been contracting new obligations, apart from loans for relief and agricultural assistance, during the latter years of depression and crop failure, their unpaid interest was increasing their indebtedness at the same time that the value of their lands was decreasing as a result of crop failures.

In 1935 the Saskatchewan Government, through an arrangement with the Dominion Government, returned relief notes to an amount of $10,000,000 to farmers. During the 1934-35 Session of the Legislature far-reaching debt adjustment measures were enacted under which a new debt adjustment system was created. This legislation empowered the local debt adjustment courts and the central Debt Adjustment Board to place considerable restrictions on the proceedings that could be taken by creditors against debtors. By reposing in these authorities what amounted to the power of declaring a moratorium in individual cases the legislation was designed to encourage debt adjustment by agreement while giving the debtor protection. Additional legislation enacted at the same time further restricted the creditor and protected the debtor in respect of the "personal covenant" in connection with mortgages and agreements for sale. Where a creditor foreclosed a mortgage and took possession of the land covered by it the debt involved became entirely obliterated, the creditor being prevented from taking action on the personal covenant against other possessions of the debtor. In the case of the sale of land under an agreement for sale the creditor was allowed to take action on the personal covenant for recovery, not of the difference between the sale price and the amount of the indebtedness, as formerly, but of the difference between a fair value for the land as fixed by the debt adjustment authority and the amount of the debt. Members of the Provincial Government stated their conviction on various occasions that creditors as a class desired to deal fairly with debtors and to keep farmers on the land.

Following discussions over several months between the Provincial Government and the Dominion Mortgage and Investment Association, representatives of Canadian mortgage and trust companies, the Prime Minister (Mr. Patterson) announced on Sept. 28, 1936, sweeping plans for debt cancellation in the Province. The plan meant cancellation of approximately $75,000,000 in taxes, relief and interest debts of 158 drought area municipalities. Marginal districts of 18 other rural municipalities would also benefit by the step. The action affected more than half of the rural municipalities of the Province. Farmers generally throughout Saskatchewan would benefit by a reduction in interest on all farm mortgages to six per cent. from January, 1937. This meant an annual saving to Saskatchewan farmers of approximately $4,000,000.

All unpaid interest accumulated in the drought area on mortgages up to January, 1935, was cancelled. The amount owing on mortgages on Jan. 1, 1937, would be the principal of the mortgage, together with only any interest owing for the years 1935 and 1936. This interest would be consolidated with the principal and the consolidated amount was to be paid over a period of 10 years. Under the new agreement, the principal

would be paid annually with the balance due in the 10th year. During the first three years the payment of principal and interest would be secured by one-third of the crop.

Should one-third of the crop not equal the amount of the annual payment, then time for payment would be extended to the next due date. If the crop were less in value than ten bushels per acre No. 2 Northern, the current taxes might be deducted from the share due the company, and if it were over this value, the debtor should pay the current year's taxes from his share of the crop.

If the proceeds exceeded the annual instalment of all principal and interest, the excess amount was to be applied in reduction of the mortgage debt, the Government statement said.

All relief and seed grain indebtedness of rural relief recipients incurred before Jan. 1, 1935, and advanced during the last 15 years, was to be cancelled. Taxes would be reduced on Jan. 1, 1937, to approximate the average of ten years. All arrears of the public revenue tax to 1935 were cancelled. Cancellation of taxes applied strictly to the drought areas.

The Government proposed to implement their guarantee made to the banks for advances to many drought area municipalities. This also applied to guarantees given before Jan. 1, 1935. Interest on agreements of sale would be reduced to six per cent. from Jan. 1, 1937, and unpaid interest to Jan. 1, 1935, would be written off.

Urban mortgages, although not under the new agreement, would be adjusted individually on their merits through existing adjustment machinery. (The Canadian Press dispatch, Sept. 28, 1936).

A later statement from the Prime Minister explained that approximately $22,750,000 of tax arrears would be cancelled in the drought area under the plan. This would be made up largely as follows: municipal, $9,000,000; schools, $7,000,000; and Provincial, $6,750,000. Cancellation of mortgage interest and some principal in the same area would be approximately $22,500,000, while an additional $2,000,000 would be taken off in reduced interest earnings in the drought area as a result of the reduction in the interest rate to 6 per cent. Implementation of Provincial Government guarantees to the banks on behalf of municipal borrowings would cost the Government about $5,000,000. Mr. Patterson intimated that it was not expected that the Public Debt of the Province would be increased as a result of the negotiations but considered there was every possibility that after all adjustments had been made it might be reduced slightly.

Estimates released by the Hon. J. W. Estey, K.C., Chairman of the Debt Survey Committee which prepared much of the data upon which the adjustment negotiations were based, indicated that the total mortgage indebtedness in the drought area would be somewhere between $300,000,000 and $350,000,000 before the adjustments were made. On first mortgages only, he estimated the totals in the three areas of the Province as follows: drought area, $95,000,000; marginal area, $11,000,000; and balance of Province, $66,000,000; a total of $172,000,000. This did not take into consideration second or subsequent mortgages or agreements for sale.

So far as the cancellation of municipal taxes was concerned, Mr. Patterson intimated that it would probably be necessary to put through legislation to implement the principle contained in the plan. He explained that it would be necessary for Mr. S. P. Grosch, Chairman of the voluntary municipal adjustment plan, to deal with individual municipalities,

in order to determine the amount of the arrears of taxes that would be left on the books.

While two years' average assessment was stated in the announcement as being the amount of arrears that would likely be left on the books of the municipality, Mr. Patterson indicated that the solvency of the municipality would be the deciding factor in arriving at the cancellation to be effected.

During the two years (1935 and 1936) the Provincial Government remained unresponsive to proposals from various quarters for a scaling down of interest rates on Provincial securities. In the Budget Speech of 1936, the Hon. W. J. Patterson, Prime Minister and Provincial Treasurer, took a definite stand against anything in the nature of repudiation. In 1935 the Hon. James G. Gardiner, as Provincial Prime Minister and Treasurer, had given consideration to the possibilities of either a Provincial sales tax or a Provincial wage tax but, finally, he decided against resorting to either. On June 26, 1936, the Prime Minister (Mr. Patterson) announced that the Deficit for the fiscal year which ended Apr. 30 (1936) was $919,196, as compared with $2,709,000 for the previous year. Governmental financing in 1935 included a $1,500,000 bond issue in May to cover $1,000,000 of maturing Treasury bills and $500,000 of school grants due; a $4,000,000 issue in July to redeem Treasury bills and provide for Provincial undertakings, and a $3,500,000 refunding issue in November. These issues were made after consultation by the Prime Minister, Mr. Gardiner, with eastern financial interests in which he gave assurance that Saskatchewan required only rain to restore its productivity. In May, 1936, the Province secured a $3,000,000 loan from the Bank of Canada to redeem bonds maturing.

An important Report on the financial position of the Province was made to the Government in December, 1936, by a Commission of Inquiry into Provincial and Municipal Taxation which had been appointed in August of that year. This Commission found that the financial position could be improved only to a minor degree by economies in expenditure on essential services and that the maintenance of the financial integrity of the Province necessitated further taxation.

Debt and Taxation, 1936

Reports on two surveys of the financial position of the Province were made in 1936. On Feb. 17, 1936, the Hon. J. W. Estey, K.C., Minister of Education, tabled in the Legislature the Report of a Committee of which he was Chairman and which had been appointed the previous year to survey the debt situation in the Province. The Minister gave an outline of the Report to the Legislature. It showed that the total liabilities of Saskachewan's 302 rural Municipalities at the end of 1933 amounted to $19,648,000 and the assets, to $37,866,000. Only 127 Municipalities had debts in excess of $50,000, 52 in excess of $100,000, and 16 in excess of $200,000, 15 of these being in the extreme drought area. If relief items were deducted these 16 Municipalities would show a surplus of assets over liabilities of $1,151,000. The 302 Municipalities had a debenture indebtedness of $211,000, of which $108,000 was in arrears. The Committee found that loans made on farm mortgages prior to 1929 had been reduced by payments at the end of 1934 while loans made after 1929 had been increasing. For the Province's 386 villages the total unmatured debenture indebtedness amounted to $229,000 and $64,000 was in arrears. The 80 towns had an unmatured debenture indebtedness of $2,824,000 and arrears

of $319,000. The towns, however, had more money in sinking funds than was owing. For 4,509 rural schools the total indebtedness was $4,361,000 of which $2,625,000 was unmatured debenture indebtedness. The total assets of these schools amounted to $5,660,000, of which $4,592,000 was in unpaid taxes. But approximately half these schools could cancel all taxes owing and still pay current liabilities, while 1,052 schools could take care of liabilities without realizing more than half the taxes owing. Of all rural schools, 976 had overdue debentures and 3,510 had none; 3,055 had no debentures at all; 1,631 had no current liabilities; 1,368 had no liabilities of any kind. For 391 village schools the current liabilities amounted to $845,000, offset by $376,000 in cash and Government grants owing. Of these schools 154 could take care of current liabilities without collecting outstanding taxes, 113 by collecting not more than half the taxes. For 90 town schools the total indebtedness amounted to $1,425,000 and unmatured debentures to $1,023,000. Taxes owing them amounted to $971,000. Of these schools, 32 could meet current liabilities without collecting outstanding taxes; and 39, by collecting not more than half the taxes. The Minister regarded the whole situation as more satisfactory than certain speeches in the Legislature had alleged it to be.

On Aug. 21, 1936, the Provincial Government appointed a Commission of Inquiry into Provincial and Municipal Taxation, and the Chairman, Mr. Neil H. Jacoby, submitted its Report to the Prime Minister under date of Dec. 19, 1936. The Commission had been directed to examine into the whole field of taxation and assessment and revenues and expenditures. In its Report the Commission set forth salient features of the Province's financial position and made definite and important recommendations for effecting improvement in the position. Its recommendations were based on the assumption that the Province desired to meet its obligations and maintain its investments and services. It recognized that many taxation and financial problems were outside its scope, as their solution would require readjustments of functions and sources of revenue as between the Dominion and the Provinces and it suggested the appointment by the Dominion Government of a Commission to consider these matters.

The Commission at the outset noted the large growth of interest on the Public Debt in the ten fiscal years from 1927 to 1936. In 1927, out of total expenditures charged to Revenue amounting to $12,465,000, interest on Debt amounted to $2,160,000 or 16.8 per cent. In 1936 the total expenditures charged to Revenue amounted to $17,043,000 and interest on Debt to $5,196,000 or 30.5 per cent. The Commission felt that the Canadian governmental practice of distinguishing in Public Accounts between expenditures charged to Revenue and expenditures charged to Capital led, in some cases, to a concealment of the actual trend in financial affairs and it recommended that in estimates the prospective surplus or deficit should be computed in relation to total expenditures. It advocated curtailment of the power of the Government to authorize expenditures by Special Warrant. Under-estimation of expenditures, a consistent practice, was in part responsible for increases in debt and interest charges. It urged a change in the budgetary practice which would ensure that the maximum expenditures were estimated so that proper provision of revenues would be made. Further, it proposed greater control over expenditures within the Estimates so that failure of revenues would not result in deficits.

Believing drastic reduction in major Services was not desirable and that economies in Governmental expenditures could only meet the financial

problem in a minor way, the Commission concluded that the maintenance of financial integrity necessitated further taxation. As measures of economy it recommended consolidation of inspection services, establishment of a purchasing agency, readjustments in the judiciary, and consolidation of revenue collections. It took the view that the Province could and should eliminate all deficits except those arising out of relief requirements which were a national responsibility and which the Province was economically unable to discharge. To this end it proposed that statutory authority reposing in the Executive Council to borrow for extraordinary expenditure, to meet deficits or to pay debt interest or principal debt should be repealed, thus making it necessary for the Executive Council to obtain specific sanction from the Legislature on each occasion of borrowing and making debt and credit a matter of continuous public interest. To reduce debt and interest charges the Commission advised the setting up of special sinking funds for all debt issues protected only by the general Sinking Fund into which would be paid annually from the Consolidated Fund an amount equal to at least one-half of one per cent. of the Capital value of the issue involved. Additional revenue would have to be found to meet these payments, estimated to amount to $405,000. The Commission placed the additional revenue requirements of the Provincial Government, if existing revenues were continued, at $3,458,000, made up of $1,676,000 for budgetary deficit (this being the average for 10 years in current and capital accounts), $1,376,000 for maintenance of roads and bridges currently being allowed to deteriorate, and $405,000 for special sinking funds.

The Commission dealt at length with the financial position of municipalities and other local agencies. It advised that readjustment of assessments was needed in rural municipalities and a lowering of governmental burdens on the landowner. It was of opinion that the indebtedness of rural municipalities to other agencies of local government was a greater cause for concern than the debenture indebtedness of the municipalities themselves. In the case of urban municipalities the Commission believed property exemptions were excessive. The debenture indebtedness of urban municipalities, less sinking funds, for the calendar year 1935 was, *per capita*: cities $179.13, towns $49.03, and villages $2.75. At the end of that year approximately half the principal of village debentures, 12 per cent. of town debentures and a negligible part of city debt was in default while considerable interest was overdue in all three classes. The source of difficulty in the case of urban municipalities was in failure to collect taxes, which resulted in the error of placing the preponderant burden on property owners, which burden had been increased for relief purposes, and inevitably property had reverted to the municipalities through tax sales thus drying it up as a source of revenue. As to schools, the Commission recommended supplementary grants to schools in accordance with the financial ability of the Province. It would limit the total of such supplementary grants to $500,000 annually at first and increase the aid until the Province was paying 50 per cent. of the cost of primary education. The extent to which the tax burden rested on the land and the inability of the landowner to carry it again was responsible for the difficulties of the rural telephone companies, these companies being owed $3,338,000 at the end of 1935 by the municipalities.

References by the Commission to the relief problem were confined to comparatively brief terms, although it was a problem of the first magnitude, because it was so largely a Dominion responsibility. It considered the Provincial Government and the municipalities to be without real capacity for taking care of a condition amounting to a national

emergency. It urged the appointment of a Dominion Commission to devise a plan for the allocation of relief financing. While the Province and municipalities might be responsible for unemployable persons, the Dominion should in the main be responsible for relief. Liquidation of existing relief debts was essential to the credit of the Province.

Finding that the existing Provincial revenue system was inadequate for meeting revenue requirements and inequitable in that revenues were not to a sufficient extent derived from personal taxation, the Commission recommended an extensive revision of the system. It proposed that this revision should commence with the abolition of the Public Revenue tax which in the fiscal year ended Apr. 30, 1936, yielded $1,666,000 (without deduction of the 5 per cent. collection commission paid the municipalities), and which was derived from a levy on assessments. This tax was considered an invasion of the only taxation sphere which the municipalities could successfully administer. Abolition of this tax would provide a necessary relief for landowners. The Commission recommended a much stiffer income tax, with an income return filing fee of $3, having virtually the same effect as a poll tax, exemptions lowered to $300 for single persons and $600 for married persons, and a scale of rates commencing at 2 per cent. It recommended likewise a more severe Succession duty, with the exemption cut to $5,000 from the existing level of $15,000, and with a tightening of provisions in other respects.

Regarding the existing Corporation Tax Act as unsound in certain particulars, the Commission recommended its repeal and the establishment of a Corporation tax on a different basis. It proposed that in the case of "financial companies," including banks, insurance, loan, trust, finance, land and mortgage companies, a tax should be imposed of 3 per cent. on gross income derived from business in the Province, which would entail slightly increased taxation on banks and insurance companies but would reduce that on finance companies. In the case of other corporations the tax proposed would be at the rate of one-half of one per cent. of the aggregate investment in the Province. Each corporation would pay a $10 filing fee, to be applied against payable taxes. It was estimated that the change in method of taxation in the case of companies other than "financial companies" would add $350,000 to the tax yield.

Revision of the tax on railways to increase its yield to $900,000 or $1,000,000 was advocated. A tightening up of the provisions and administration of the Gasolene Tax Act, without any increase in the rate, would increase the yield from the figure of $1,749,000 for the fiscal year 1935-36 by about $400,000, it was estimated. Higher licence fees for commercial vehicles using the highways, graduated according to weight, were proposed. Establishment of a consumers' tax was recommended, the levy to be 2 per cent. on the purchase price of goods and services, with farm implements and certain essential foods exempted, collection to be made by the vendor. Proceeds of this tax, it was proposed, should be used for education and social services. It was estimated that the yield would be between $2,500,000 and $3,500,000.

The Commission estimated the additional revenue requirements of the Province (including provision for replacement of revenue lost by the proposed repeal of the Public Revenue tax) at $5,569,000 and it estimated the additional revenues to be derived from the proposed changes in the taxation system at $5,250,000. From this it deducted 10 per cent. for overestimation and collection costs. Consolidation of the tax collection system would bring revenues and requirements closer. In the matter of local

taxation it was proposed that the Province should eliminate all *ad valorem* taxation of property, leaving this source to the municipalities, that assessments should be revised and buildings and improvements assessed at 100 per cent. of value, that the municipalities be required to levy a $3 poll tax, that the system of tax sales be revised, and that no arrears in taxes be cancelled or reduced.

The Regina Riot and Investigation, 1935-36

Regina became the focal point of Dominion-wide interest in the Summer of 1935 as a result of what came to be known as the (Regina) Dominion Day riot. During the Spring and early Summer discontent had been growing in the relief camps for unemployed in British Columbia and on June 3 some 900 men broke camp and started eastward with the avowed intention of proceeding to Ottawa to place their grievances before the Dominion Government. Travelling by freight train, their ranks were swelled along the way by recruits from other camps and other unemployed individuals. At Calgary on June 7 they were reported to be 1,300 strong. This number increased at each city or camp on their forward march. On June 12, with the "army" at Swift Current, the Dominion authorities issued orders to the Royal Canadian Mounted Police that the march must be stopped at Regina. Two days later the men, now reported to number nearly 2,000, were at Regina. They threatened to defy the order. The relief strikers raised about $1,500 by a "Tag Day" in Regina and on June 17 the Hon. R. J. Manion and the Hon. Robert Weir of the Dominion Cabinet arrived from Ottawa to confer with their leaders; following this, it was arranged that a delegation from the strikers should go to Ottawa to lay their case before the Cabinet. On June 22 the leaders of the strikers presented certain "demands" to Prime Minister R. B. Bennett and his Government which were rejected. Subsequently the Ottawa Government proposed to take care of the men at a temporary camp at Lumsden, Saskatchewan, near Regina. On June 26 the strikers refused to accept this provision and decided to continue on to Ottawa. The next day on orders from Ottawa the R.C.M.P. mobilized to prevent the strikers moving eastward from Regina. An attempt by some of the men to move out by trucks was thwarted and five men, including a Regina clergyman, were arrested and charged the next day under Section 98 of the Criminal Code dealing with unlawful associations. The R.C.M.P. warned citizens not to aid the strikers, announcing that no police action would be taken if the men would go to the Lumsden camp from where the Dominion authorities would provide them with transportation back to their relief camps or their homes.

Leaders of the relief strikers called a mass meeting of their followers and sympathizers in the market square of Regina for the evening of July 1 and in addition to the strikers thousands of Regina citizens attended. The R.C.M.P. and the Regina city police decided on this meeting as a suitable occasion for the arrest of leaders. Shortly after eight o'clock in the evening forces of both bodies marched into the square as the meeting was in progress. Panic ensued. The police were attacked and fighting and rioting developed and continued for some three hours. Detective Charles Millar of the Regina city police lost his life, being beaten to death by rioters using sticks and other weapons. Approximately 100 persons, including several members of the R.C.M.P. and city police, were injured, several seriously. Much property damage was caused. In the course of the attacks on the police shots were fired by the city police although the R.C.M.P. did not use guns. The police brought the situation under control,

some 80 men being arrested. The next day the Provincial Government intervened. In telegrams to Prime Minister Bennett and the Hon. Hugh Guthrie, Minister of Justice, the Provincial Prime Minister, the Hon. J. G. Gardiner and the Provincial Attorney-General, the Hon. T. C. Davis, K.C., protested against the course taken by the Dominion authorities, Mr. Davis claiming it was an invasion of Provincial jurisdiction. Mr. Gardiner protested that the police had acted on orders from Ottawa while the Provincial Government was considering proposals of the strikers that they should undertake their return to their camps and homes. He informed the Dominion Prime Minister (Mr. Bennett) that the Provincial Government was prepared to disband the men and send them back without sending them to the Lumsden camp. The Provincial Government proceeded to take charge of the situation. In negotiations with representatives of the strikers they obtained their consent to return to their camps and homes. On July 5 about 1,500 were moving westward on special trains engaged by the Provincial Government.

On July 5 the Government of Saskatchewan announced the appointment of a Commission to inquire into the riot, the Commission to consist of Chief Justice J. T. Brown of the Court of the King's Bench in Saskatchewan, Chairman, Mr. Justice W. M. Martin of the Court of Appeal and Judge A. E. Doak of the District Court at Prince Albert. The Hon. Hugh Guthrie, Minister of Justice, in telegrams to Mr. Justice Brown, questioned the regularity of the appointment of the Commissioners. He stated that the Dominion Government had no objection to an Inquiry but held that the Provincial Government, under the terms of the Judges Act, should have requested the Dominion Government to nominate the Commissioners. He further suggested that the Inquiry should be postponed until after criminal prosecutions arising out of the riot had been disposed of. He questioned the propriety of an Inquiry at the instance of the Provincial Government into the course pursued by the Dominion Government or its officers in a national situation. Chief Justice Brown took issue with the contentions of the Minister of Justice and the matter was argued in an exchange of telegrams between them and between Attorney-General Davis and Mr. Guthrie. In consequence of the position taken by Mr. Guthrie the Commissioners requested the Provincial Government to be relieved of their appointments. Later, however, the Provincial Government determined to assert their authority and the same Commissioners were re-appointed and instructed to proceed with the Inquiry.

The Inquiry opened on Nov. 12 and was not concluded until Mar. 12, 1936. The Commission sat for 60 days and heard 359 witnesses. The Dominion authorities, the police bodies and the strikers were represented by counsel. The Commission's Report was made public on May 16. The Commission found the organized conduct of the relief strikers was a menace to "peace, order and good government" and the action of the Dominion authorities in halting the march to Ottawa to have been justified. The Commission was of opinion that had the strikers reached Ottawa their numbers probably would have reached 5,000 and a more serious riot might have occurred there. It was found that the riot started in Regina as strike leaders were being arrested and when police signals became confused. The Commission thought it likely that a riot would have occurred in any event when the strikers found their leaders in custody. Police information indicated that a desperate move had been planned. The Report declared that Communism was behind the march on Ottawa and pointed to affiliation between the Workers and Unity League to which many of the strikers belonged and the Communist Party. It said some

of the men were "dangerous" and others ignorant of the significance of their action. Although the Commission found the accommodation and food in the relief camps to have been good the camps had been established as a temporary measure and it commended the new Government at Ottawa on its proposal to abolish them.

During and subsequent to the Regina Dominion Day riot 130 persons in all were arrested and 24 were eventually brought to trial, the hearings commencing Apr. 14 and the charges being those of rioting, wounding and assaulting. Nine of those tried were convicted and sentenced to varying terms up to 14 months, most of them being five, six or seven months. Appeals were taken to the Court of Appeal but after some had been dismissed others were dropped. On Feb. 28, 1936, the Attorney-General announced that charges brought against five leaders of the strikers following the riot had been dropped. They were charged under Section 98 of the Criminal Code with being members of an unlawful association, namely, the Relief Camp Workers' Union. They had been allowed out on bail following preliminary hearings in July. The Attorney-General, after studying the matter decided there was not enough evidence to warrant proceeding with the charges.

Political Affairs of 1935—1936

In the four By-Elections for the Legislature in 1935 Government candidates won all four. Vacancies in the Electoral Divisions of Humboldt and Gravelbourg were caused by the death of sitting Members. A By-Election was necessitated in Regina city following the elevation of Mr. Kerr to the Cabinet. Another in the Electoral Division of Melville followed Mr. Gardiner's resignation. The By-Elections did not change the Party standing in the Legislature where the Liberal Party held all but five of the seats, these five being held by the Co-operative Commonwealth Federation, the Official Opposition. There were no By-Elections in 1936.

Following his election to the House of Commons in the Dominion General Election, Mr. M. J. Coldwell resigned the leadership of the Co-operative Commonwealth Federation in Saskatchewan and was succeeded by Mr. G. H. Williams, Leader of the Opposition in the Legislature.

At its Annual Convention in 1935 the United Farmers of Canada, Saskatchewan Section, Limited, withdrew from political activity.

At the end of October, 1936, the Conservatives of Saskatchewan met and chose a new Leader to succeed Dr. J. T. M. Anderson, head of the Conservative Administration from Sept. 9, 1929, to July 19, 1934. Dr. Anderson had refused re-nomination on account of ill-health. There were eleven nominees for the leadership and the choice fell upon Mr. J. G. Diefenbaker, a barrister of Prince Albert. Mr. Diefenbaker declared that he was in favour of a Party platform based on Conservative traditions yet one that would have regard for "present-day problems in the Province" and one that, at the same time, would recognize changing conditions and needs.

The Council of the Saskatchewan Liberal Association concluded a two-day meeting in Regina on Dec. 4, 1936. Practically, the whole of one session was devoted to the subject of debt adjustment. The major portion of another session deliberated upon the question of finance in relation to the schools of the Province, teachers' salaries and arrears of salaries. Twenty-two Resolutions, in all, received the approval of the meetings.

One outlined the action of the Legislature and the Government with regard to debt adjustment; it resolved:

"That we request the Government to proceed further with its programme to the end that all portions of the community may share in the benefits, and that interest rates and taxation in Saskatchewan may be stabilized at a level which our citizens can afford to pay." Further, it was resolved:—

"That within the constitutional limits of Dominion and Provincial jurisdiction, respectively, the principle of debt adjustment as applied to farmers in Saskatchewan be extended to urban dwellers in the Province." These two Resolutions endorsed all that had been done by the Government towards debt adjustment, reduced interest rates and lowered taxation.

Another advanced step was the Resolution calling upon the Dominion Government to amend the Farmers' Creditors Arrangement Act to provide for the re-hearing and revision of orders made by the Board of Review and of arrangements made by official receivers prior to Oct. 1, 1936. This subject was kept high above Party lines. It was not a question between the old and the new Boards of Review, but one between decisions made under different conditions whereby former decisions were in many cases incapable of being complied with; and in other cases were not equitable, in view of later adjustments, particularly as to rates of interest fixed. (*The Moose Jaw Times-Herald,* Dec. 7, 1936).

The 1934-35 Session* of the Legislature

The First Session of the Eighth Legislative Assembly of Saskatchewan opened on Nov. 15, 1934. John Mason Parker, Member for Touchwood, was elected as Speaker. The Speech from the Throne, delivered by the Lieutenant-Governor, Lieut.-Col. the Hon. Hugh Edwin Munroe, O.B.E., revealed the new Government's primary concern with and general policies in respect of three principal and interlocking phases of the Province's economic position. With the first and most pressing of these, the financial position of Provincial governing bodies, agriculture and other industries and the labouring people, the Government proposed to deal through debt adjustment legislation. The need for the rehabilitation of agriculture, the second phase, was to be met in part by a permanent plan to ensure re-seeding operations and by re-establishment of farmers on better lands than those on which they had suffered distress. In the third place, the Government was determined on the re-establishment of the Province's position externally. By keeping expenditures within revenues, meeting obligations, adhering to sane legislation regarding contracts and maintaining the people in productive employment it was hoped to improve the Province's credit and keep its permanent economic strength to the front. It was declared to be essential that the Federal Government should withdraw from the field of direct taxation and bear the entire cost of improving social services. Marketing policies should be designed to ensure export of Saskatchewan wheat to Europe and obstructions to trade should be removed, especially to the end that Saskatchewan might secure commodities produced in Britain in exchange for its cereal products. The Government proposed to explore the possibilities of realizing their aims in this connection. Legislation to implement the popular vote on the sale of beer by the glass was

*NOTE.—In a brief reference to the opening of the Session in the 1934 edition of The *Canadian Annual Review* the date was given erroneously as Nov. 8.

to be introduced, also measures dealing with Civil Service improvement, education and municipal administration.

In the Debate on the Address-in-Reply to the Speech from the Throne the Leader of the Opposition, Mr. George H. Williams (C.C.F., Wadena), criticized the Government proposals, mainly on the ground of inadequacy. The Opposition, he said, did not believe, with the Government, that the solution of the Province's difficulties was to be found within the orbit of the capitalist system but could be achieved only by substituting for it a system of Socialism. He moved an Amendment to the Address calling for the inauguration of a planned economy for the Province to the end that its resources should be so mobilized as to give security of tenure to the people in their homes and on their farms, provide them with specialized medical service, adequate educational facilities and safeguard their living standards. The Amendment advocated acceptance by the Government of Socialism as the basis of the Province's economic activities. The Debate on the Amendment was continued until Nov. 21 when the Amendment was negatived and the Address was adopted on Nov. 23.

The Session continued, with an adjournment from Dec. 4 to Jan. 8, until Feb. 21, when it was prorogued. A large volume of legislation was enacted, much of it highly important. In all, no fewer than 97 Bills received Assent.

Public Accounts, Estimates and the Budget, 1934-35

Public Accounts for the fiscal year ended Apr. 30, 1934, showed Current Revenue of $14,252,766.20 and Current Expenditure of $15,646,758.97, leaving a Deficit of $1,393,992.77. Main Estimates tabled in the Legislature on Jan. 23, 1935, for the fiscal year ending Apr. 30, 1936, forecast Revenue on Revenue Account of $15,624,358.00 and Expenditure of $16,391,885.00. Total Revenue from Revenue Account, Capital and other accounts was placed at $18,024,809.00 and Total Expenditures on the same accounts at $18,792,336.00. Supplementary Estimates tabled on Feb. 15 added $565,-106.00 to estimated Expenditure on Revenue Account and Capital Account. The balance of the Total Supplementary Estimate of $23,161,323 was for relief, agricultural re-establishment, highways, etc. Of this, $9,819,500 was chargeable to direct relief (including $3,091,500 carried over from the previous year), $10,426,000 to agricultural re-establishment (including $4,-546,000 carried over from the previous year), and $2,350,717 to other general services, of which highways was one (the bulk of this also being a carry-over).

In his Budget Speech, delivered on Jan. 24, 1935, the Hon. James G. Gardiner, Prime Minister and Provincial Treasurer, recognized the problems and difficulties of the Province due to the heavy decrease in the production of new wealth resulting from continued crop failures. He deplored the extent of spending under the Anderson Administration which had increased the Public Debt from $65,742,142 in September, 1929, to $160,767,145 in July, 1934, when the Liberals returned to office, with a corresponding increase in carrying charges from $2,931,000 to $6,650,000 in 1935. Of the $95,000,000 increase in debt only $28,565,000, he claimed, could be attributed to relief charges and expenditure on agricultural re-establishment. The latter sum had been borrowed from the Dominion Government, which acknowledged a national responsibility, so that the debt for which the Province was absolutely responsible stood at $132,-000,000.

Mr. Gardiner proposed that the Government should wait until mid-summer to see if a crop should be in sight before launching on Capital Expenditure and increasing expenditure on services which had to be curtailed. If there should be a crop the Legislature could be called to meet in August to make such provisions as the increase in production of wealth would permit.

Since total Estimated Revenue for 1935-36 was only $161,000 more than Total Revenue for 1928-29 ($15,624,000 as compared with $15,463,000) and the increase in Public Debt charges in the same period was $3,969,000, the amount available for Ordinary Services was reduced by $3,808,000. Ways of balancing the Budget or extending provision for Public Services included debt refunding, increasing taxation, improved collecting methods, securing larger profits from State enterprises and preventing evasion of taxes. It was unlikely, Mr. Gardiner said, that refunding could be carried out in time to affect revenues for the year, although the Government favoured refunding as far as possible. He confessed that the Government had considered two possible new forms of taxation, a sales tax and a wages tax. Constitutional difficulties were present in connection with a sales tax, although it was hoped to have some of them corrected. There was also a question of the advisability of co-operation between Saskatchewan and Manitoba, owing to inter-provincial trade, in relation to such a tax, and perhaps also between Saskatchewan and Alberta, and this could not be arranged in time for action at the current Session. A wage tax would have objectionable features. The Government, therefore, would not levy any new taxes. It would seek to improve its budgetary position by tightening up collections of money owing the Province, insisting on greater profits from Government enterprises, preventing tax evasions and slightly increasing certain existing taxes.

An increase in the Gasoline tax of one cent a gallon to seven cents was announced, and on Feb. 7 a revision of the Income tax was introduced. This revision included an increase of one per cent. throughout the entire schedule. The $5 surtax, extending to small incomes, was removed and a five per cent. surtax on incomes of over $5,000 substituted. Exemptions were lowered. The rate on incomes of corporations was increased from four to five per cent. and the $1,000 exemption removed. By these methods Mr. Gardiner believed a budget balance might be reached for 1935-36. He was optimistic about the future, holding that it would require only a return of favourable crop conditions for the difficulties of the Province to be overcome.

Mr. Williams, Leader of the Opposition, as chief critic of the Budget, condemned the increased provision for interest on Funded Debt while the provision for health and other necessary services was inadequate. The Opposition, he warned, would oppose any increased taxation while interest rates remained at the current high level. He argued that a good harvest could not solve prevailing difficulties since it would add to the unsalable surplus of wheat.

Debt Adjustment and "Personal Covenant" Acts, 1934-35

By 1934 and 1935 the subject of debt adjustment had become very prominent in the provincial affairs of Saskatchewan. The Debt Survey Committee of the Government reported in 1935 that the mortgage debt against Saskatchewan farm lands amounted to $207,000,000. Sponsoring far-reaching debt adjustment legislation in the Legislature during the 1934-35 Session, the Attorney-General, the Hon. T. C. Davis, expressed the

opinion that the Legislature was practically unanimous upon the necessity of debt adjustment. In a speech in the Legislature on Nov. 26, 1934, Mr. Davis reviewed the history of debt adjustment legislation in the Province. In consequence of repeated crop failures the value of land had become progressively less and the debts against it had been increasing through unpaid interest charges, although little new debt was being contracted. The Attorney-General held that the creditor class concurred in the view of others as to the importance of permitting people to remain on the land and in consequence a great deal of debt adjustment was going on. He believed that any plan of adjustment should prevent too great a loss falling on the unsecured creditor.

The first Debt Adjustment Board, he said, had been set up in Saskatchewan in 1922, although it had no statutory authority. In 1929 such a board was set up by Statute. At different times thereafter the law was changed. There was some uncertainty, the Attorney-General pointed out, as to the respective powers of the Dominion and the Province.

The legislation as sponsored by Mr. Davis empowered the Debt Adjustment Board to place restrictions on the power of creditors to take action against debtors and it gave the Government and the Board power of moratorium. It was provided that debt adjustment should be dealt with locally but before the power of moratorium was exercised there would be a review by a Central Debt Adjustment Board or by the Government. The Act as passed was entitled An Act to Facilitate the Adjustment of Debts.

In February, 1935, Mr. Davis sponsored another Bill known as An Act to Amend the Limitation of Civil Rights Act, and this dealt especially with the much discussed matter of the "personal covenant" in mortgage debts and agreements for sale. This legislation restricted the right to recover of the creditor, under a mortgage or agreement for sale, the land covered by the mortgage or the fair value of the land covered by agreement. The creditor could not further recover by action against other property of the debtor. The covenant for payment was thus restricted. It was provided that where action was taken to sell property for the benefit of the creditor the court should not order sale until an "upset" price, corresponding to the fair value of the property, had been set. The purpose of this was to provide that after the sale any deficiency judgment secured by the creditor should be for no more than the difference between the fair value of the property and the amount of the debt. The debtor was thus protected against the sale of his property for a sum far below its fair value and liability for the difference between that sum and the total amount of his debt. The Bill provided that in the case of the foreclosure of a mortgage such foreclosure obliterated the entire debt against the property and the creditor was prevented from taking action against other property of the debtor.

Coal Inquiry and Legislation, 1934-35

As a result of disorganization in the coal industry of the Province the Government on Oct. 29, 1934, appointed Mr. Justice W. F. A. Turgeon a Royal Commission to conduct an Inquiry and make recommendations for remedying the situation. The Commissioner submitted his Report under date of Mar. 30, 1935, but on Feb. 13 the Government had anticipated the Report by the introduction of a Bill to provide them with powers for controlling the industry. In his Report the Commissioner pointed to this legislation, The Coal Mining Act, 1935, as the best means of dealing with the situation. Without its correction investment in the industry, labour

and consumers would suffer. He found competitive practices largely responsible for the trouble. The legislation, which received the Royal Assent at the end of the Session, gave the Government powers for controlling the industry, through the Minister of Natural Resources, by licensing of operators, establishment of codes and standards, prohibition of unfair practices, setting of price standards and minimum wages and working hours. The Commissioner recommended that the Government take steps to secure correction of prejudice to the industry in Saskatchewan resulting from the difference between the rates of the Federal subvention on the movement of coal from Alberta and Saskatchewan eastward.

Other Legislation and Incidents of the 1934-35 Session

At Prorogation His Honour the Lieutenant-Governor in the Speech from the Throne was able to point to a number of matters of outstanding importance which had been dealt with. To a large extent the policies and proposals outlined in the Speech from the Throne at the opening of the Session were implemented. His Honour referred to the setting up of a free-homesteading policy, the winding-up of the Relief Commission with the return of notes covering a $10,000,000 grant from the Dominion Government, provision for the adjustment of amounts owing to and by the governing bodies within the Province and the setting up of machinery for the adjustment of private debts, including provisions for dealing with the vexed problem of the personal covenant in mortgages and agreements. Approval was expressed of the efforts of the Legislative Assembly to direct business back into regular channels through a reorganizing of relief and encouragement to financial institutions to deal directly with individuals rather than through the Government, particularly in relation to seeding operations. An aim in this connection was to contribute to improvement in business by placing paying power in the hands of individuals rather than in orders upon the Government. The announced policies in regard to agriculture were commended as being designed to assist in the further development of the Province's basic industry. Regret was expressed at the impossibility of providing greater revenues but His Honour hoped that future crop conditions would make it possible to reorganize the taxation system and so permit of a return to highway and other public works developments to the end that the people might secure employment and education when physically fit and proper care when ill or in need.

Other legislation of the 1934-35 Session included the ensuring that farmers should have the means of carrying on seeding operations. Provisions were made for this through four separate Bills. One, designed to take care of two-fifths of the problem, provided for the Government's guarantee of advances made to farmers by mortgage and loan companies. The other Bills empowered the Government to borrow money to be re-lent to municipalities, authorized municipalities to borrow directly for the assistance of farmers, and authorized the Minister of Municipal Affairs to borrow money for lending to farmers in local improvement districts.

Provision was made by an Act for extensive reorganization of the Provincial Public Service, several innovations made by the former Government being abandoned. The Commission controlling the Service was reduced from three members to one. Much of the time of the Session was taken up with the legislation authorizing the operation of beer parlours. It provided for elaborate restrictions and regulations. The alcoholic con-

tent of beer was limited and separate parlours for the sexes were made compulsory.

In addition to passing legislation the Assembly placed on record its attitude on various public questions by the adoption of a number of Resolutions. It was resolved that the Government of Saskatchewan should urge upon the Dominion Government that the Bank of Canada should control the issue of credit as well as the issue of currency and that the Bank should be publicly-owned and controlled. Another Resolution, based on the importance of re-establishing agriculture in the Province, called on the Saskatchewan Government to make representations to the Dominion Government looking to removal of restrictions on trade and particularly to the extension of the British Preference until all the necessities of agriculture were placed on the free list, the lowering of tariff barriers between the United States and Canada, negotiations with other countries for reciprocal trade treaties, the opposing of any attempts to interfere with the natural tendency of primary products to find the cheapest route to world markets, and the removal of artificial price control and other restraints on internal trade. Another Resolution favoured unemployment insurance on a Dominion scale and endorsed co-operation of the Provincial Government with the Dominion Government in the matter. A Resolution was passed favouring the raising of new taxation to finance medical and other social services. There were suggestions that this Resolution foreshadowed a Provincial Sales tax and an understanding among the three Governments of the Prairie Provinces for uniformity in the case of this tax.

The 1936 Session of the Legislature

The Second Session of the Eighth Legislature was opened on Feb. 6, 1936, by the Lieutenant-Governor, the Hon. Hugh Edwin Monroe, O.B.E. At the Opening a period of silence was observed in memory of King George V. His Honour opened the Speech from the Throne with fitting reference to His Majesty and to his successor, King Edward VIII. Later, on the 10th, the Legislature passed an Address expressing the sympathy and sorrow of the people of Saskatchewan and their loyalty to their new King; also a message of condolence to Her Majesty Queen Mary.

In the Speech from the Throne note was made of general conditions throughout Canada; and of the Provincial situation. Reference was made to the Dominion-Provincial Conference at Ottawa in December, 1935, and the view was expressed that the future would witness many far-reaching changes in the Constitution of Canada and in the relationship of the Governments of the Provinces to that of the Dominion. As a result of the Conference the Federal Government had agreed to increase its monthly contributions to the Province, thereby enabling the Provincial Government to lessen the burden upon the Municipalities in respect of relief. It was hoped that the trade agreement between Canada and the United States and other actions taken by the Dominion Government towards the liberation of trade would make for the betterment of conditions in Saskatchewan. The Government, His Honour stated, was engaged upon a programme of re-establishing on a self-sustaining basis settlers who had moved from drought-affected areas to wooded lands in the North. Mining development in the North was noted with satisfaction. Revenues had increased materially and the Government was looking forward to a balanced Budget in the near future. Legislation was forecast bearing on relief, seed grain, gas franchises, live stock, oil and gas wells and water

districts. Various existing Acts were to be revised and consolidated. Legislation to supplement Dominion enactments and arising out of the Dominion-Provincial Conference and out of the submission of certain Dominion laws to the Supreme Court would be introduced if necessary. Among other important legislation to be submitted would be changes in the provisions for the Gasoline tax.

In the Debate which followed much stress was laid on the desirability of debt-refunding in order to secure lower interest rates. Mr. Williams, Leader of the Opposition, protested that legislation of the previous Session, introduced by the Government, particularly that with respect to seeding, conferred too much benefit on mortgage and loan companies at the expense of the public. He regretted what he regarded as the inadequacy of the programme outlined in the Speech from the Throne. Speaking for the first time in the Legislature in defence of the Government as Prime Minister, the Hon. W. J. Patterson maintained that the policies of the Co-operative Commonwealth Federation were being repudiated by the people, as indicated in the reduced C.C.F. vote in the Dominion General Election. He charged that C.C.F. misrepresentation of the Debt adjustment legislation discouraged farmers from taking advantage of it; that much voluntary adjustment had been accomplished under the legislation. He assured the Legislature that the Government had no intention of introducing "planned economy" as urged by the C.C.F. During the course of the Debate, which lasted till Feb. 18, State medicine was strongly advocated from both sides of the House. It was discussed in a speech by the Hon. J. M. Uhrich, Minister of Health. The Hon. J. W. Estey, Minister of Education, gave an outline, during the Debate, of the Report of the Debt Survey Committee of which he was Chairman. Public Bills passed numbered 120.

Public Accounts, Estimates and the Budget, 1936

The Public Accounts for the fiscal year ended Apr. 30, 1935, tabled in the Legislature, showed Revenue Receipts amounting to $13,686,733 and Expenditures on revenue account of $16,395,914, leaving a Deficit of $2,709,181. As compared with the previous year, Revenues had decreased by approximately $500,000 and expenditures had increased about $700,000. The Main Estimates for the fiscal year ending Apr. 30, 1937, tabled in the Legislature on Mar. 2, 1936, placed Revenue on Revenue Account at $17,062,991 and Total Revenue from all accounts at $19,818,756 and anticipated Expenditures on Revenue Account of $17,434,068 and Expenditure on all accounts of $20,189,833, leaving an anticipated Deficit in Revenue Account of $280,077 and a Total Deficit of $371,077. These Estimates anticipated an increase in Revenue over the Estimate for the previous year of $1,793,947 and an increase in Expenditure of $1,397,497 on all accounts. The Revenue increases were expected to come principally from liquor profits, the Income and Gasoline taxes and motor licences. Large increases were provided for in interest payments, sinking fund charges, construction, maintenance of public buildings, public health, and education. On Mar. 27, Supplementary Estimates were tabled covering Expenditures on relief in the fiscal year ended Apr. 30, 1936. These provided $20,845,474 for relief and agricultural re-establishment. The total Supplementary Vote was $23,306,984, which included $981,920 chargeable to Revenue Account and $1,479,590 chargeable to Capital Account.

The Hon. W. J. Patterson, Prime Minister and Provincial Treasurer, delivered his Budget Speech on Mar. 3, 1936. He pointed out that Sas-

katchewan's total taxation amounted to only $5.94 *per capita* as compared with $11.28 for Manitoba and $8.98 for Alberta. Dealing with proposals for reducing the interest rate on the Public Debt Mr. Patterson took a stand against repudiation. The Gross Funded Debt of the Province was $128,000,000 and it carried interest rates varying from 3½ to 6 per cent. A reduction of interest rates to 3 per cent. would reduce annual interest charges by approximately $2,258,000 but the Province would not benefit by anything like this amount for the reason that the Sinking Fund would sustain a heavy loss and the benefit of the interest reduction would have to be passed back to the Power Commission, the Farm Loan Board and other Provincial bodies. This would reduce the saving by at least $1,000,000. Municipalities holding Provincial securities would have to increase their levies if the interest rate on those securities were reduced. Further, arbitrary reduction would destroy the credit of the Province and compel it to depend entirely on revenues. Mr. Patterson saw a possible method of relief in the proposal for a Loan Council for each Province and a Dominion guarantee of Provincial securities. He stated that no change was proposed in the tax structure other than a repeal of the Wild Lands Tax. Relief and agricultural aid continued to be the most serious problem facing the Province. Seed and seeding supplies alone had cost about $8,000,000 and Winter feed $5,400,000. In the demonstrated fertility of the soil and capacity of the people there was ground for optimism as to the future of the Province.

In replying to the Budget Speech Mr. G. H. Williams Leader of the Opposition, made an extensive examination of the Province's Assets and Liabilities, arriving at the conclusion that, even without allowances that should be made for depreciation, uncollectable accounts, etc., the Total Assets did not come within $8,700,000 of balancing liabilities. He pointed to the experiences of Sweden under a Socialist Government in improving the national finances and the economic condition of the people and the methods followed in Finland and India. He advocated that the Provincial and Dominion Governments should insist that mortgage companies should accept a fair share of losses sustained by farmers and of the risks of the future, and should this fail that a redemption scheme should be undertaken. Inheritance taxes collected in the East should be for the benefit of the whole country. In the course of the Budget Debate the Hon. J. M. Uhrich, Minister of Public Health, gave an extensive review of the activities of the Province in connection with public health.

Legislation and Incidents of the 1936 Session

Provision to ensure seeding operations was an important item in the business of the Session. Legislation was passed authorizing the Government to guarantee advances by mortgage and loan companies to farmers for the purchase of seed. The interest rate was set at 6 per cent. as compared with 7 per cent. the previous year. The estimated amount to be guaranteed was $5,300,000 as compared with $9,000,000 the previous year. It was estimated that the municipalities would require borrowings of $4,000,000 for the same purpose, these to be guaranteed by the Dominion and Provincial Governments.

The Hon. C. M. Dunn, Minister of Highways, had a Bill before the Legislature designed to restrict the operation of gasoline stations by licensing but the principal restrictive provisions were negatived in Committee after independent oil companies had protested against them. As passed, the legislation gave the Government certain powers of control. A

Bill was passed providing for the licensing and inspection of trust, loan and investment companies. A Bill prohibited fur trappers from using poison or narcotics in bait. An Amendment to the Marriage Act reduced the marriage licence fee in the Northern area from $5 to $2.50 out of consideration for the expense of reaching a place where marriages could be performed, and it was announced that the Government was considering the appointment of additional marriage commissioners. The legislation prohibiting the operation of slot machines was strengthened. A Bill transferred the Wild Lands tax to municipalities. The passing of a number of Resolutions indicated the attitude of the Legislature on various questions. A proposal for the establishment of a system of State medicine received much attention but the Resolution as passed deferred action until the finances of the Province were stronger. The Dominion Government were urged by Resolution to continue the Wheat Board and a minimum price for wheat until the wheat carryover was down to normal proportions and trade channels were freer. A Resolution was passed suggesting a redistribution of the white races within the Empire with a view to promoting trade under the Flag. Resolutions favouring tariff reduction or free trade called for the creation in the Prairie Provinces of an area where seasonal and dumping duties on fruits and vegetables would not apply; for removal of duties on used cars, trucks, tractors and farm implements and on petroleum products and for the appointment of a consumers' counsel to the Dominion Tariff Board.

At intervals during the Session demands were made from both sides of the House for greater protection for debtors in the debt adjustment legislation and administration. Finally, the Hon. T. C. Davis, K.C., Attorney-General, intimated that if the decision of the Supreme Court of Canada as to the validity of the Dominion enactment providing for debt adjustment should indicate that the Province had power to scale down debts, a special Session of the Legislature might be held later in the year to confer such power on the Provincial Debt Adjustment Board. Mr. Davis stated that 2,042 debt cases had been disposed of by the Board during the year.

Mr. Davis, on Mar. 24 (1936), made an extended Report to the Legislature on the situation in respect of proposals which had been made at various conferences in Ottawa for Amendments to the Constitution. He stated that law officers at Ottawa were at work drafting a consolidation of The B.N.A. Acts and Amendments thereto. The consolidation would contain provision for the amending of the Constitution within Canada. At the conferences it had been suggested that in connection with matters affecting the Dominion Parliament alone, the Dominion would have the amending power without consent of the Provinces. In connection with matters affecting the Dominion and one or more but not all of the Provinces, Amendments would be made by the Dominion Parliament with the approval of the affected Provinces. In the matter of minority rights the unanimous consent of the Provinces would be required for any constitutional Amendment. In the case of matters affecting the Dominion and all the Provinces, Amendments would require the consent of two-thirds of the Provinces representing at least 55 per cent. of the people of Canada. Mr. Davis expected that when the drafting was completed another Conference would be held and if the Provinces agreed to the proposed consolidation a Resolution would be passed by the Dominion Parliament asking the British Parliament to pass the necessary legislation for bringing about the change.

Education: Reports for 1934—36

The Annual Reports of the Department of Education for the calendar years 1934, 1935 and 1936 pointed to the continued difficulties of the school authorities in financing the schools owing to repeated crop failures which affected tax collections. Nevertheless, the number of schools in operation continued to increase year by year, being 4,920 in 1936. A steady annual decrease in enrolment gave some concern to Department officials, being attributed to various causes, including the movement of residents to unorganized districts in the northern part of the Province. The number of pupils enrolled in schools under the School Act in 1934 was 214,076, which represented a decrease of 1,619 from the previous year, and for the next two years the recorded decreases were 3,131 and 4,251 respectively. For each of the three years the enrolments in all high school grades were 35,137, 35,758 and 35,877. Extensive use was made of the public libraries, numbering 21 in 1934 and 1935 and 23 in 1936. New school districts organized numbered 42 in 1934; 27 in 1935; and 20 in 1936. Legislation passed in 1936 and effective in 1937 increased the grants to both elementary and high schools by fifty cents a day.

In December, 1935, the Saskatchewan Teachers' Federation laid before the Provincial Government a proposal for the establishment of a fund to "buy in" outstanding salary cheques issued to teachers, it being represented that approximately $1,000,000 was owing to teachers on such cheques. It was claimed by teachers that in some school districts teachers' notes were being discounted to as high as 40 per cent. and were being accepted by the municipalities at face value on tax accounts. A 1935 Act authorized the Government to advance money to school boards for paying, in part, amounts owing to teachers on account of salary earned before Jan. 1, 1935. Another Act authorized the imposition of a tax on consumers of tangible personal property, the proceeds to be used only for educational purposes.

The University of Saskatchewan conferred degrees and certificates numbering 387 at Convocation held on May 10, 1935. Dr. Walter C. Murray, President of the University, stated, in his Report at Convocation, that four members of the staff had declined offers of promotion elsewhere at very substantial salary increases. At Convocation held on May 8, 1936, 264 degrees were bestowed. On the same day the following received the Honorary degree of LL.D.: Mr. Francis Hedley Auld, Deputy Minister of Agriculture; Sir Robert Falconer, K.C.M.G.; Dr. William Setchel Learned, PH.D.; Dr. Arthur Stanley Mackenzie, F.R.S.C.; and Dr. Robert Charles Wallace, F.R.S.C.

The enrolment of Notre Dame College, Wilcox, Saskatchewan, in 1934-35, totalled 100 and in 1935-36, 125. The first B.A. degrees were conferred on two graduates in 1935 and two in 1936. Additions to the faculty in 1934-35 were Mr. Patrick O'Dwyer from All Hallows, Dublin, Ireland (economics) and Mr. Denys Solleroz, Louvain, Belgium (psychology) and in 1935-36 Mr. Henry Weeks, Harvard graduate (chemistry). In 1935-36 the Hon. Justice W. A. Turgeon succeeded as Chancellor the Most Rev. Archbishop J. C. McGuigan, whose See had been transferred from Regina to Toronto. Maintenance of the College during the two years was facilitated by bequests from two of its Governors, Mr. L. L. Anthes, Toronto and Mr. A. E. Whitmore, Regina, and by Col. Cyril Malone and Dr. E. A. McCusker, Regina.

Agriculture: Reports for 1935—1936

The period of lean harvests continued in Saskatchewan through the years 1935 and 1936. In 1935, according to *The Farm Outlook,* the late seeding and abundant growth contributed to render the wheat crop particularly susceptible to stem rust, from which losses were extremely heavy both in quantity and quality. Drought and heat caused serious injury to crops in the Western part of the Province and in many areas serious damage was done by early frost. Forage crops were better than for some years, except in the districts injured by drought. The estimated average farm price of the 1935 wheat crop was 60 cents per bushel, which was one cent less than that of the previous year despite the higher prices prevailing for comparable grades. The crop harvested was about 18 per cent. larger than that of 1934. The total revenue from the 1935 Saskatchewan wheat sales was about one-fifth more than that of the previous year. The 1934 wheat crop, which was the smallest total yield since 1920, had about one-quarter of the value of that of 1928 and the crop of 1935 about one-third. As revenues from other farm enterprises were still limited, the problem of financing continued to be difficult.

Of 836 farms in seven municipalities in south-central Saskatchewan, 138 were operated by tenants. The remaining 698 farms included 393,353 acres of land, of which 309,482 were used for crops and summerfallow. These farms had experienced the full force of drought for an extended period. The statement given by the Farm Management Department concerned all the soil types in these municipalities. On the poorest soil many farms had been abandoned. With only a few exceptions, farmers reported indebtedness, the total sum being $6,820,400. The average debt per farm was $9,771, equivalent to about $22 per acre of cropland. About one-fifth of this debt was for relief. The debt related to farm real estate averaged $10 per acre of cropland, about 47 per cent. of the total. In previous years this class of debt varied with the district, usually being more than two-thirds of all the farm debt. Some progress had been made in adjustment of indebtedness by private and governmental agencies, but except in districts which harvested good crops in 1935, the general problem remained substantially unimproved from 1934.

Farmers experienced another disappointing year in 1936, those in the Western half of the Province and in the Southern parts of Crop Districts One and Two being particularly unfortunate. Damage by the major crop insect pests caused a loss of about one-eleventh of the field crops, valued at $13,500,000. Losses from disease were limited, however, and a crop of about 117,000,000 bushels of wheat of good quality was harvested, as compared with the revised estimate of 142,198,000 bushels for 1935 and 114,200,000 in 1934. The crop of 1936, however, was of a much higher quality than that of 1935 and prices received were considerably better.

Governmental assistance was again extended in 1936 to Saskatchewan farmers over a large portion of the Province in the supply of feed and fodder for the maintenance of stock during the Winter and of seeding supplies for the crop of 1937.

The following table gives comparative figures for itemized field crop production and values and areas sown for the two years, 1935 and 1936:

Field Crop	Year	Area Acres	Yield Per Acre Bus.	Total Yield Bus.	Average Price Per Bus.	Total Value
Spring Wheat	1935	13,206,000	10.8	142,198,000	$0.60	$85,319,000
	1936	14,596,000	8.0	117,000,000	.88	102,960,000
Oats	1935	4,942,000	26.7	131,951,000	.17	22,432,000
	1936	4,610,000	14.2	65,462,000	.31	20,293,000
Barley	1935	1,146,000	20.2	23,149,000	.24	5,556,000
	1936	1,299,000	12.8	16,627,000	.55	9,145,000
Fall Rye	1935	292,600	13.1	3,833,000	.25	958,000
	1936	243,500	4.0	974,000	.52	506,000
Spring Rye	1935	81,600	13.9	1,134,000	.25	284,000
	1936	83,100	6.2	515,000	.52	268,000
All Rye	1935	374,200	13.3	4,967,000	.25	1,242,000
	1936	326,600	4.6	1,489,000	.52	774,000
Peas	1935	550	15.0	8,000	.90	7,200
	1936	500	6.5	3,300	.85	3,000
Beans	1935	260	15.0	4,000	1.10	4,400
	1936	250	8.5	2,000	1.20	2,400
Mixed Grains	1935	23,300	19.1	445,000	.22	98,000
	1936	18,200	11.1	202,000	.40	81,000
Flaxseed	1935	260,000	4.8	1,250,000	1.18	1,475,000
	1936	354,300	3.5	1,240,000	1.40	1,736,000
			Cwt.	Cwt.	Per Cwt.	
Potatoes	1935	49,500	71.3	3,529,000	.47	1,659,000
	1936	44,200	37.0	1,635,000	1.11	1,815,000
Turnips, etc.	1935	2,200	76.1	167,000	49	82,000
	1936	1,800	40.0	72,000	.68	49,000
			Tons	Tons	Per Ton	
Hay and Clover	1935	144,500	1.76	254,000	4.89	1,242,000
	1936	230,000	1.29	297,000	5.35	1,589,000
Alfalfa	1935	10,200	2.07	21,000	7.83	164,000
	1936	19,600	1.31	26,000	9.23	240,000
Fodder Corn	1935	17,500	3.67	64,000	5.67	363,000
	1936	6,200	1.13	7,000	5.40	38,000

The Saskatchewan Wheat Pool, 1935 and 1936

The Eleventh Annual Report of the Directors of the Saskatchewan Co-operative Wheat Producers Limited dated Nov. 5, 1935, showed that during the crop year 1934-35 a total of 1,639,265-55 bushels of wheat was delivered to be marketed through the Voluntary Pool; this compared with total deliveries for the previous year of 1,298,447-20. Sales of all Pool wheat were completed at the close of the market on July 24, 1935, and cheques covering the final payment were mailed to growers on July 30. The initial payment for the 1934-35 Pool was established at 50 cents per bushel, basis One Northern, Fort William, this being 5 cents higher than the initial payment of the previous year and 15 cents higher than for the year 1932-33. The first interim payment of 15 cents per bushel was declared payable on Mar. 20, 1935. The gross selling price of One Northern wheat in store at Fort William amounted to 80.526 cents per bushel as compared with 69.586 cents for the previous year and 50.511 cents for the year 1932-33. Sales and operating expenses amounted to .521 cents per bushel as compared with .806 cents the previous year and the net return to growers marketing through the Pool was 80.005 cents per bushel, basis One Northern, Fort William, as compared with 68.780 cents in the previous year. Since the Canadian Wheat Board was carrying on a similar method of marketing for the crop year 1935-36, the Board of Directors decided not to operate a Voluntary Pool.

The total current assets of the Wheat Pool organization as at July 31, 1935, amounted to $12,777,382 and total liabilities to $5,794,702, the balance of $6,982,680 representing the current position of the Company. After providing for completion of the approved building programme and work under construction at the end of the year, there remained a balance of $6,820,180 available as working capital, compared with $6,017,831 for the previous year. A total of 53,777,839 bushels of all grain was handled through country elevators for the year ended July 31, 1935, also 1,360,191 bushels loaded over platforms. Pool elevators handled 44.59 per cent.

of all wheat delivered to country elevators in the Province, as compared with 43.2 per cent. the previous year.

There were no pooling operations during the crop year 1935-36 as the operations of the Canadian Wheat Board made them unnecessary. Total current assets of the Wheat Pool organization as at July 31, 1936, amounted to $9,096,489 and total liabilities to $1,641,266, the balance of $7,455,223 representing the current position of the organization. Provision for the building programme reduced this balance to $7,375,223. The general policy of the Saskatchewan Wheat Pool, as enunciated by Mr. J. H. Wesson, Vice-President of the Pool, at a Pool meeting at North Battleford in June, 1936, called for continuance of the Wheat Board, with the inoperative clauses of the Wheat Board Act brought into operation so that the Board should handle all grains; creation of a producers' committee to advise the Board; and the setting of a minimum price of not less than 95 cents, basis One Northern, Port Arthur. Mr. Wesson contended that Canadian wheat would never be sold satisfactorily until the Wheat Board took delivery of all wheat produced and sold it to the consumer, thus eliminating dependence on foreign exporters interested in the sale of wheat from other countries as well as Canada.

The United Farmers of Canada, Saskatchewan Section, Limited

The Tenth Annual Convention of this organization was held in Saskatoon on July 16, 17 and 18, 1935. In his address the President, Mr. J. F. Herman, called upon farmers to demand out of the year's crop and succeeding crops sufficient for a proper living allowance ($550 for a family of four) and legislation to prevent evictions, seizures and foreclosures. The Board of Directors reported the removal of political headquarters to Regina and the decision to set up organizations in the Dominion constituencies. The Directors renewed their determination to press for a reduction in domestic freight rates on feed grain following failure of an application for such a reduction made to the Board of Railway Commissioners. Efforts were continuing also for a lowering of farm implement prices and the tariff on gasoline. The Convention gave much attention to the question of debt adjustment and various proposals were advanced, among them that of the fixing of a minimum living allowance for farmers which should be protected against creditors. There was some advocacy of an "agricultural revolt" unless the Provincial Government should guarantee such an allowance in case of a crop and relief in the absence of a crop. It was decided by the Convention that the United Farmers of Canada, Saskatchewan Section, would not continue to nominate members to the directive board of the Co-operative Commonwealth Federation political movement in the Province, this decision signifying the withdrawal of the organization from political activities. It would concentrate its efforts on such matters as protection of farmers' equities in their properties, legislative measures for reconstruction and the general problems of the farmers. Mr. G. R. Bickerton was elected President.

The Eleventh Annual Convention of the organization was held on July 21, 22 and 23, 1936, in Saskatoon. Mr. Bickerton, as President, urged that the organization rally its forces for a rebuilding of the U.F.C. In particular it should strive to secure exemption from seizure of the farm home and a fair standard of living regardless of crop conditions. The Board of Directors reported formation of 23 new lodges and the reorganization of lodges which had been dormant. A total membership of 27,001 was reported, 1,742 more than for the previous year. The Board

reported that it was continuing to press the Provincial and Dominion Governments for better debt adjustment legislation. At this Convention it was decided to renew the demand on the Provincial and Dominion Governments for exemption of an adequate living allowance for farmers from the claims of creditors. Resolutions in favour of various social services were passed.

Government Departments, 1935—1936

Rigid economy in the administration of the Department* of Natural Resources in the fiscal years 1934-35 and 1935-36 enabled this Department to return handsome surpluses. For the fiscal year 1934-35 the revenues of the Department amounted to $600,379, exclusive of $154,835 received on School Land Collections other than principal. This was $44,016 better than the previous year and with Expenditures limited to $407,729 there was a Surplus of $192,649, or $347,484 with the School Land Collections added. The Revenues increased still more substantially in the fiscal year 1935-36, amounting to $700,595 without including School Land Collections of $269,149. Expenditures amounted to $448,461, so that there was a surplus of $252,133, or $521,282 with the School Land Collections added. Forestry was the richest source of Departmental revenue, returning $153,647 in 1934-35 and $217,973 in 1935-36. Game was next, producing $115,620 and $106,681 for the two years respectively. Revenue from lands amounted to approximately $60,000 for each of the years and that from School Lands administration to approximately $89,000. Settlement land entry sales amounted to 216,475 acres and land patents issued covered an area of 359,904,413 acres in the year 1934-35. During the year 1935-36 the new homestead legislation came into force and 562 homestead entries were granted and 5,922 settlement land sale contracts converted into homestead entries. During the year 1935-36 patents were issued covering 309,688,437 acres. Mining was becoming an increasingly important factor in the Provincial economy and the Flin Flon district on the Saskatchewan-Manitoba border was attracting much attention, with several important companies in the field.

Saskatchewan was entirely free from industrial disputes during the fiscal years 1934-35 and 1935-36, according to the Annual Reports of the Bureau of Labour and Public Welfare for those years.

In connection with the employment of females in 1933-34 there were 1,220 inspections; and in each of the following two fiscal years there were 1,119. During the fiscal year 1933-34, there were 67 special investigations; in 1934-35 there were 69; and in 1935-36, 183. By negotiations with employers, the inspectors, in 1933-34, were successful in collecting $1,667 in underpaid wages to the benefit of 54 women; in 1934-35, the amount recovered was $5,576 to the benefit of 156 women; and in 1935-36, $6,468 was recovered to the benefit of 186 women. Charges in court were laid in 1933-34 in 11 instances against employers for infractions of The Minimum Wage Act and 5 fines were imposed; in 1934-35 there were 64 cases which resulted in 44 fines being imposed; and in 1935-36 there were charges made in 35 cases and 32 fines were imposed.

The Employment Service of the Bureau made 26,393 placements in the year 1934-35. The average wage for farm work prevailing was:

*NOTE.—In the 1934 edition of *The Canadian Annual Review* the fiscal year of the Department of Natural Resources was given in error as ending Sept. 30, 1934, instead of Apr. 30, 1934.

Winter, board only; Spring, $10 to $20 per month; harvest season, $1 to $2.25 per day; Autumn, board only to $5 per month.

Under the Winter farm labour relief scheme financed by the Dominion Government and administered by the Bureau 5,300 single, destitute, unemployed persons were placed in farm employment, receiving the Government bonus of $5 per month. Under the plan for caring for single, destitute men unsuitable for farm work an average of 800 men per month were cared for in concentration camps organized by the Department of National Defence and paid $5 per month and provided with clothing, medical attention, etc.

The Employment Service of the Bureau in 1935-36 made 33,201 employment placements. The average wage for farm work during the year was: Winter, $5 per month plus Government bonus; Spring, $10 to $25 per month; harvest season, $2 to $3.50 per day; Autumn, $15 to $25 per month. Single, destitute men to the number of 6,371 were placed in farm employment, receiving the $5 per month bonus and an average of 800 men per month were taken care of under the concentration camp system.

By legislation of the 1934-35 Session the Department of Highways became the Department of Highways and Transportation and the Department of Railways, Labour and Industries was abolished. Through the new Department the Provincial Government during the fiscal year 1934-35 entered upon a programme for improving the highways of the Province, which had suffered from lack of maintenance owing to the financial burden of relief and other expenditures. In that year $805,441 was spent on this programme, the money being loaned by the Dominion Government. In September, 1935, an agreement was made between the Provincial and Dominion Governments whereby they would share equally an expenditure of $506,000 on further highway improvement, the work to be confined to the Saskatchewan section of the Trans-Canada Highway. This programme was not completed during the fiscal year 1935-36. Additional expenditure on roads in each of the two years amounted to upwards of $750,000.

With so many districts of the Province suffering from drought during 1935-36 resulting in poor crop conditions, there had been no cessation of applications for Old Age Pensions. The total number receiving pensions in 1935-36 was 10,746; in 1934-35, 10,167; and in 1933-34, 9,280. The total paid in pensions in 1935-36 was $2,146,275; in 1934-35, $1,974,612; and in 1933-34, $1,798,467.

The Department of Public Works, continuing to practise economy, made no capital expenditure on buildings during the fiscal year 1934-35 but its Annual Report pointed out that provision of additional accommodation at some of the institutions, particularly the mental hospitals, could not be much longer delayed. During the following fiscal year $147,155 was expended on capital account, principally on provision of a new water supply system and a new dormitory building for the Battleford Mental Hospital. On maintenance and administration of public buildings and services the Department spent $1,220,630 in the fiscal year 1934-35 and $1,415,896 in the fiscal year 1935-36. During 1934-35 there was an increase of 115 inmates in mental hospitals and a decrease of 120 in corrective institutions; during 1935-36 the number of inmates in the mental hospitals increased by 165 and those in the corrective institutions were 14 fewer.

The Department of the Provincial Secretary reported revenue for the fiscal year 1934-35 of $653,745 of which $588,031 was from the Corporation

tax, the latter figure representing a decrease of $117,013 from the previous year, the decrease being due mainly to a falling off in collections from insurance companies. The administration of the Theatres and Cinematographs Act was transferred to this Department on Sept. 1, 1934, and the revenue from this source from that date to Apr. 30, 1935, was $33,383. For the fiscal year 1935-36 the revenue of the Department was $1,498,868, the increase of $845,122 including $808,000 from the railway tax covering payments for two years. The revenue from the corporation tax was $26,907 higher than for the previous year. The revenue from the administration of the Act dealing with moving pictures was $38,649.

The amount spent under the Provincial Department of Public Health in the fiscal year 1934-35 was $1,179,810, and in 1935-36, $1,184,745. For the two years the *per capita* expenditure was, respectively, $1.22 and $1.21. Aid to hospitals and sanitoria and to mental hospitals accounted for the greater part of the expenditure. The amount spent in maternity grants increased each year. The Province in 1934 had 68 Government-aided hospitals and 12 Red Cross hospitals; with a population of 966,000 it had one hospital bed for every 240.5 persons; the value of buildings and equipment was estimated at $8,919,352 and the fees of patients amounted to $2,282,266. In 1936 it had 75 Government-aided hospitals and 8 Red Cross hospitals; with a population of 931,000 it had one hospital bed for every 227 persons; the value of buildings and equipment was estimated at $8,714,649 and the fees of patients amounted to $2,588,705.

The estimated population of the Province as at June 1 in each of the three years was as follows: 1934, 966,000; 1935, 978,000; 1936, 930,893. The Vital Statistics Division of the Department of Public Health records the following statistics for the three years respectively: births:—19,764, 19,569, 19,125; marriages:—5,519, 6,036, 6,168; and deaths:—5,924, 6,126, 6,314.

Reports of the Saskatchewan Cancer Commission showed that in the five years during which the two cancer clinics had been in operation at Regina and Saskatoon a total of 3,129 cases had been admitted, 1,899 of which had been diagnosed as cancer, 110 as pre-cancer, 1,011 as not cancer, 109 being undiagnosed.

Reports of the Bureau of Child Protection showed the number of wards of the Commissioner of Child Welfare and of the various Children's Aid Societies as follows: 1933-34, 1,166, of whom 110 were full orphans and 548 illegitimate; 1934-35, 1,080, of whom 108 were full orphans and 494 illegitimate; 1935-36, 1,003, of whom 106 were full orphans and 427 illegitimate. At Apr. 30, 1934, the Province, under the Mothers' Allowance Act, was paying allowances to 2,608 families and by Apr. 30, 1936, the number had increased to 2,944. The cost for the year ended at the former date was $407,993 and for the year ended at the latter date, $474,120.

The question of State medicine or health insurance was much discussed during the years 1935 and 1936 in the Legislature and elsewhere in the Province. In a speech in the Legislature on Jan. 28, 1935, the Hon. J. M. Uhrich, M.D., Minister of Public Health, reviewed the situation in the Province in respect of public health. He indicated that while the Provincial Government was sympathetic towards the general proposal for State medicine or health insurance it desired to secure all possible information before attempting to reach any decisions. The cost of such a service and the taxation that would be necessary to meet it were factors which necessitated very serious consideration. The Government, said the Minister, would continue to gather information. On the basis

of the survey which had been made in British Columbia the cost of providing complete medical and hospital service for the people of Saskatchewan would be about $8,305,000 a year.

Among figures given in the Annual Reports of the Workmen's Compensation Board for the calendar years 1934, 1935, and 1936, respectively, were the following: number of employers reporting to the Board, 4,248, 4,492, 4,533; amount of payrolls (exclusive of Governments), $23,039,745, $24,551,061, $27,008,607; benefits paid, $281,410, $383,963, $434,365 (of which only $231,050 was charged to the year 1936); and claims reported, 3,671, 4,012, 5,402.

Municipal Affairs, 1934-36

Municipal finances constituted a serious problem in Saskatchewan during the years under review. The percentage of taxes collected by the Municipalities fell from 63.06 per cent. in 1929 to 23.39 per cent. in 1933 in the case of rural Municipalities; from 69.02 per cent. to 43.04 per cent. in villages; from 64.77 per cent. to 39.98 per cent. in towns; and from 73.96 per cent. to 49.56 per cent. in cities, according to the Annual Report of the Department of Municipal Affairs dated May 1, 1934. Arrears in taxes were increasing heavily and tax levies were being lowered. Unsatisfactory tax collections resulted in an increase in arrears in maturing debenture coupons, about 90 per cent. of these arrears being due by rural school districts and telephone companies.

The Annual Report for the fiscal year ended Apr. 30, 1935, showed some easing of the situation. There was practically no change in the percentage of tax collections in rural Municipalities from the previous year. A rather favourable sign was a tendency towards the redemption of land from tax sales. But the serious crop failure in 1935 added further strain to the load being carried by the municipalities. For the fiscal year ended Apr. 30, 1936, tax collections dropped to 21.43 per cent. in rural municipalities, to 38.54 per cent. in villages, 34.53 per cent. in towns and 49.56 per cent. in cities. Taxes and debenture coupons went further in arrears.

The Annual Reports of the Local Government Board for the calendar years 1935 and 1936 further reflected the financial situation although they found cause for satisfaction in the fact that arrears in debenture coupons were less than arrears in taxes and the further fact that the great majority of rural school districts were free from debenture indebtedness. The Board recorded its opposition to the policy which some rural municipalities desired to follow of granting discounts on arrears in taxes. In the year 1935 the maximum discount allowed by the Board did not exceed 10 per cent. The 1936 Report recorded a general tendency on the part of municipalities to avoid new debt obligations and, in some cases where crops had been harvested, debenture liabilities of two and three years had been discharged, indicating the desire of municipal authorities to meet their obligations as quickly as possible. Sinking funds were reported to be in a satisfactory condition.

At the Annual Convention of the Saskatchewan Association of Rural Municipalities held in Regina on Mar. 6, 7 and 8, 1935, the President, Mr. J. R. Near, reported that success had finally attended the effort of the Association for fifteen years to have Soldier Settlement lands placed in the same position with regard to municipal taxation as other lands; the Dominion Government had introduced an Amendment to the Soldier Settlement Act, retroactive to Jan. 1, 1933, making these lands subject to the taxation laws of the Provinces. Defalcations by rural municipal

secretary-treasurers gave some concern to the Executive of the Association and for the protection of the municipalities the strengthening of the provisions of the Municipal Act was being sought. Four claims had been filed with the Association, through which the bonding of the secretary-treasurers had been arranged, for losses due to misappropriation of funds during the year. A number of Resolutions were adopted by the Convention which aimed at strengthening the powers of the municipalities in respect of seizures for unpaid taxes. Several Resolutions were passed dealing with public health and the care of the sick. One of these favoured State medicine, another called for travelling medical units, and another urged the Provincial Government to use every effort to have sweepstakes legalized in Canada, a percentage of the receipts to be used for hospital purposes. A Resolution was passed proposing that the grower should be allowed ten bushels of wheat an acre and other crops in proportion exempt from the provisions of the Crop Share Act. Another Resolution proposed that milling companies should be required by legislation to pay a fixed price of not less than $1.00 per bushel for all wheat used for home consumption in Canada, the premium in the price to be paid to the Federal Government and by it distributed to the Provinces on a quota basis, and through the Provinces and municipalities distributed to the farmers on the same basis, the municipalities collecting from the payments current taxes due. Construction of works for water conservation was urged by Resolution. It was decided by Resolution to urge the Provincial and Dominion Governments to enact legislation cancelling interest over four per cent. on all documents executed prior to 1930.

The 1936 Annual Convention of the Association was held in Prince Albert on Mar. 4, 5 and 6. The President, Mr. Near, in his address, expressed the hope that a commission would be set up to investigate the taxation system with a view to its being overhauled. He stressed the importance of the question of State medicine or health insurance and hoped that the Association would formulate recommendations for financing a scheme. The experience of other Provinces had shown that it would cost from $12.50 to $14.50 per person to provide complete medical service. The President favoured a uniform system of tax adjustment for the Province. Relief was prominent among matters dealt with in Resolutions adopted. Among proposals made in these Resolutions were: that the Dominion Government should assume full responsibility for relief; that municipalities should be relieved of interest payments on relief loans; that the municipalities should be responsible to the Government rather than the banks for relief accounts of 1929-30 and 1930-31 and that they should be relieved of such indebtedness where relief loans were uncollectable from the borrower. It was resolved that the Association should again urge the Provincial and Dominion Governments to find ways and means of inaugurating a system of State medicine. A Resolution proposed that the mortgage companies should be responsible for the supply of seed required for land mortgaged to or owned by them and the Dominion or Provincial Government should be responsible for seed for unencumbered land, the Municipalities not to be responsible for any share. Another Resolution called for Governmental action in order to reduce the interest rate on farm mortgages from 1930 to three per cent.

The Power Commission and The Liquor Board

Economic conditions in the Province affected the operations of the Saskatchewan Power Commission and its financial statements for the

calendar years 1934, 1935, and 1936 showed net losses of $77,135, $46,980 and $24,150. Total revenue for each of the three years was $1,074,438, $1,069,698 and $1,153,049 and the operating cost was $620,705, $633,388 and $672,898. No general extension programme was carried out in any of the three years although small extensions to serve new customers were made. At the end of 1936 arrangements were made to take over the municipal plant of the Town of Canora.

Sales of the Liquor Board for the fiscal year ended Mar. 31, 1934, amounted to $4,823,510 and profit carried to the balance sheet to $918,926. The Board had 29 liquor stores and 123 beer and wine stores in operation at Apr. 30, 1934. For the fiscal year ended Mar. 31, 1935, sales amounted to $5,203,863 and profit to $1,027,572. Sixteen more beer and wine stores were in operation than for the previous year. For the fiscal year ended Mar. 31, 1936, sales amounted to $5,735,354 and profit to $1,278,730. The Board at Mar. 31, 1936, had 30 liquor stores and 138 beer and wine stores in operation. Legislation passed at the Session of the Legislature in 1934-35 authorized the sale of beer for consumption in licensed premises and commencing May 1, 1935, licences were issued. Licences issued under this system numbered 577 in the calendar year 1935 and 575 in the calendar year 1936. Subsequently certain licensed premises were allowed to sell beer by the package.

The Province of Saskatchewan

(As at Dec. 31, 1936)

Lieutenant-Governor ..... The Hon. Archibald Peter McNab

The Patterson Ministry* (Liberal)

(As at Dec. 31, 1936)

Prime Minister, President of the Council, Provincial Treasurer, and Minister of Telephones and Telegraphs ..... The Hon. William J. Patterson

Minister of Public Health, Provincial Secretary and Minister in charge of The Theatres and Cinematographs Act, and The Travelling Shows Act ..... The Hon. J. M. Uhrich, M.D.

Attorney-General, and Minister in charge of The Loan Companies Act, and The Trust Companies Act ..... The Hon. Thomas C. Davis, K.C.

Minister of Public Works, and Minister in charge of The Steam Boilers Act and the Saskatchewan Power Commission ..... The Hon. George Spence

Minister of Highways and Transportation, and Minister in charge of Office of the King's Printer, Bureau of Publications, The Child Welfare Act, and The Old Age Pensions Act ..... The Hon. Charles M. Dunn

Minister of Municipal Affairs, and Minister in charge of the Bureau of Labour and Public Welfare ..... The Hon. R. J. M. Parker

Minister of Education ..... The Hon. J. W. Estey, LL.B., K.C.

Minister of Agriculture ..... The Hon. J. G. Taggart

Minister of Natural Resources, and Minister in charge of The Saskatchewan Insurance Act, The Fire Prevention Act, The Prairie and Forest Fires Act and the Companies Inspection and Licensing Act, 1936 ..... The Hon. William F. Kerr

---

Speaker of the Legislative Assembly ..... The Hon. John Mason Parker

---

*NOTE.—For purposes of reference the changes in the Cabinet between Dec. 31, 1936, and Dec. 31, 1938, are given herewith: Mr. Uhrich while retaining the position of Minister of Public Health became Minister of Public Works; Mr. Estey was given charge of The Saskatchewan Power Commission in addition to his duties as Minister of Education; Mr. Spence and Mr. Dunn were no longer in the Cabinet; Mr. Arthur Thomas Procter, LL.B., K.C., became Minister of Highways and Transportation and Minister in charge of the Child Welfare Act and The Old Age Pensions Act; and Mr. Edward Milton Culliton, B.A., LL.B., became Provincial Secretary and Minister in charge of The Provincial Tax Commission, The King's Printer's Office, and The Bureau of Publications.

Heads of the Administrative Services

(As at Dec. 31, 1936)

Clerk of the Executive Council	J. W. McLeod
Deputy Attorney-General	Alexander Blackwood, K.C.
Deputy Provincial Secretary	J. W. McLeod
Deputy Provincial Treasurer	A. Perring Taylor
Provincial Auditor	G. L. Hopkins
Superintendent of Insurance	A. E. Fisher
Deputy Minister of Agriculture	F. H. Auld
Deputy Minister of Education	J. H. McKechnie, M.A., D.P.ÆD.
Deputy Minister of Telephones and Telegraphs	W. Warren
Deputy Minister of Municipal Affairs	J. J. Smith
Chairman, Saskatchewan Assessment Commission	Colin L. Wells
Deputy Minister of Public Works	J. M. Smith
Chairman, Local Government Board	S. P. Grosch, K.C.
Deputy Minister of Highways and Transportation	H. S. Carpenter
King's Printer	T. McConica
Deputy Minister and Registrar General of Public Health	Dr. R. O. Davison
Deputy Minister of Natural Resources	W. W. Amos, M.D.
Legislative Counsel	J. P. Runciman
Clerk of the Legislative Assembly	G. A. Mantle
Chairman, Public Service Commission	L. S. Sifton
Commissioner, Mothers' Allowances and Child Protection	L. B. Ring
Commissioner, Bureau of Publications, Tourist Bureau Travelling and Open Shelf Libraries	S. J. Latta
Commissioner, Bureau of Labour and Public Welfare	T. M. Molloy
Chairman of the Liquor Board	N. B. Williams
Commissioner, Saskatchewan Farm Loan Board	William McInnes
Chairman, The Workmen's Compensation Board	W. F. Dunn
Commissioner, Saskatchewan Power Commission	L. A. Thornton
Registrar, The Security Frauds Prevention Act	J. C. Treleaven
Director of Nursing Services	Miss Ruby M. Simpson, R.N.
Provincial Architect	(Vacant)
Chairman, Saskatchewan Minimum Wage Board	T. M. Molloy
Chairman, Public Service Superannuation Board	L. S. Sifton
Chairman, Teachers' Superannuation Commission	R. F. Blacklock

THE PROVINCE OF ALBERTA

The Social Credit Movement of 1935—1936

The people of Alberta turned, in 1935, to a new economic doctrine whose proponents represented it as embodying the means of abolishing poverty. It was called Social Credit by its originator, Major C. H. Douglas of England, who had been advocating its adoption in Australia and other parts of the world. It proposed the use and distribution of the credit power of the State to bring about the equation of consumption to production and thus ensure to the people the full benefit of the increment arising from their association. The chief proponent of Social Credit in Alberta was William Aberhart, a native of Ontario and principal of the Crescent Heights High School, Calgary, who was chiefly responsible for its introduction to the general public of the Province. Mr. Aberhart had acquired a very large and devoted following among the people of Alberta as conductor of the Prophetic Bible Institute which he had founded and which broadcast its religious exercises by radio. Becoming acquainted with the economic doctrine of Social Credit, Mr. Aberhart began advocating it to his Province-wide radio audiences, and it quickly captured their imagination. Under the stimulus of his weekly addresses Social Credit organizations were formed, and by the beginning of 1935 Social Credit was recognized as a definite threat to the existing political and economic order. In the Provincial General Election in August, 1935, the threat materialized in a political upheaval which annihilated the United Farmers of Alberta Party that had been in power from 1921, swept aside the old-line parties, and entrusted the government of the Province to the advocates of Social Credit. To the Legislature of 63 Members, 56 Social Credit candidates were returned, 5 Liberals and 2 Conservatives.

This politico-economic revolution was attributable less to the faults of the old order than to the lure of the new. Alberta had been experiencing economic stress, arising from the general depression and partial crop failures over a number of years. Conditions in the Province at the opening of the year 1935 were far from satisfactory, but they were no worse than those in the other Western Provinces. The principal governmental problem was that attaching to the burden of public and private debt. While the financial obligations of the Provinces and their municipalities were heavily increased by the cost of unemployment and agricultural relief, their revenues were depressed by the low income conditions prevailing among the people. Relief costs and Budget deficits were being added to the Public Debt of each Province. Conditions in Alberta had reached the point where debt-carrying charges were absorbing approximately half of the Provincial revenue. The United Farmers' Government were suffering from a loss of public confidence. They were avoiding as far as possible the increasing of taxation and were adhering to policies calculated to preserve the public credit of the Province. But they had been in office for fourteen years and their age was telling against them. They had lost prestige through the resignation in 1934 of the Prime Minister, Mr. J. E. Brownlee, following his involvement in a seduction case and through the divorce litigation involving the Minister of

Public Works, Mr. O. L. McPherson, who had not been re-appointed to the Cabinet when the Hon. R. G. Reid became Prime Minister in 1934. The Government (U.F.A.) were facing the electors in 1935, as the constitutional term of the Legislature expired in July, and it appeared to be pretty generally anticipated that they would be defeated. Both the Liberal Party and the Conservative Party were very active, preparing to profit by the situation.

The growing Social Credit movement was seen as the dark horse in the political situation. While the Government were considering the possibilities of debt conversion and of having the Dominion take over responsibility for relief or grant the Province a larger share of the field of taxation, and while the Opposition Parties were advocating more definite action along similar lines, the spokesmen for Social Credit were assuring the people that their public and private financial troubles were unnecessary and could be permanently removed by the adoption of Social Credit principles and the use of the credit of the Province. Government and Opposition Parties made concessions to the increasing public interest in the new movement. The Government engaged the originator of Social Credit, Major Douglas, to come from England and act as reconstruction adviser to the Province.

At the Session of the Legislature which opened in February, 1935, the Conservative Leader, Mr. D. M. Duggan, proposed that Mr. Aberhart and other Social Credit advocates should be invited to Edmonton to submit proposals. The Liberal Leader, Mr. W. R. Howson, included in his Party's programme a provision for the engaging of Social Credit experts to prepare a plan for submission to the Legislature. Major Douglas came to the Province in May, 1935, and remained about three weeks. On June 5 the Government published his preliminary report in which he confined himself, chiefly, to possible methods and strategy with regard to the preliminary object, that of obtaining access to the public credit.

Meantime, in April (1935), the Social Credit League had met in convention in Calgary, decided that Social Credit could best be established by a Social Credit Government, and that, accordingly, it would contest the General Election with Mr. Aberhart as Leader. He was not to be a candidate in the General Election but would become Prime Minister in the event of a Social Credit victory. A feature of the League's Election platform, which attracted much attention in the Election campaign and subsequently, was a proposal to distribute purchasing power by means of "basic dividends" to be paid monthly to adult residents of the Province, the sum of $25 a month being frequently associated with the proposed dividend in Social Credit discussions.

During the 1935 Session of the Legislature the Government were under almost continuous attack from the Opposition and other groups. There was much discussion of the need of reducing the interest charges on the Public Debt, including the outlining by the Provincial Treasurer, the Hon. J. R. Love, of a plan involving the conversion of Provincial securities into perpetual stock and serial debentures. The Session saw the enactment of a large volume of important Bills, including a far-reaching measure for the protection of debtors from action by creditors. The term of the Legislature was allowed to expire on July 10 without a proclamation of dissolution. A few days later, Aug. 22, was fixed as the Election date. The Social Credit League placed candidates in 62 of the 63 constituencies. The forces resisting it were divided, the majority of the constituencies having four or more candidates. The Social Credit candidates received

more than half of the total vote of the Province, which was exceptionally heavy. Not a single candidate of the U.F.A. Government was returned.

Mr. Aberhart as Prime Minister

Coming to office as Prime Minister Mr. Aberhart gave himself eighteen months for the establishment of Social Credit. He found it necessary to face an immediate problem—the retiring Government had left the Treasury virtually empty. His first official act was to appeal to Ottawa for financial assistance. He asked for a loan of $18,000,000. The Dominion Prime Minister, the Rt. Hon. R. B. Bennett, held that with a Dominion General Election coming on, he could not properly commit the Government to more than temporary assistance; he, therefore sanctioned a loan of $2,250,000. Confronted with the actual task and problems of government, Mr. Aberhart adopted the attitude that as a preliminary to the establishment of Social Credit principles the financial affairs of the Province had to be straightened out. In this connection the Government retained the services of R. J. Magor of Montreal, an actuarial expert, as financial adviser. This attitude brought criticism from Major Douglas in England, whose contract, made with the Reid Government, had two years to run and called for three more visits to Alberta and advice on demand. Major Douglas claimed that Mr. Aberhart's course indicated that he was falling in line with the wishes of the financial interests whom Douglas desired to see challenged immediately by a departure from orthodox methods and steps towards gaining access to Provincial credit. In correspondence by cable and mail Major Douglas accused the Prime Minister (Mr. Aberhart) of failing to take his advice and of accepting, instead, the advice of Mr. Magor, who, he charged, was an agent of "the bankers". Mr. Aberhart insisted that he and his Government were dealing with the existing affairs of the Province, which had to be cleared up before Social Credit could be established, denied that "the bankers" had anything to do with his course, and appealed to Major Douglas to supply the Government with detailed advice for a Social Credit plan.

The rupture continued to broaden with the exchange of correspondence until in 1936 Douglas abandoned his contract without returning to Alberta. The Government proceeded by their own devices towards the working out of their Social Credit aims. At the regular Session of the Legislature in 1936 (Feb. 6 to Apr. 7) the Social Credit Measures Act was passed. This was blanket-enabling legislation authorizing the Government to work out Social Credit plans and take action on them by Order-in-Council. No action definitely characterized as Social Credit was taken under this Act but under its authority the Government brought into operation a system of payment and exchange within the Province with a new medium known as Alberta prosperity certificates. The plan was designed to stimulate business by providing a substitute for money. Only a small quantity of certificates was issued and most of these used for the payment of workers on highway projects. The certificates were to be redeemed from a fund created by the sale of stamps to be attached to the certificates each week by those in whose possession they were at the time. The introduction of this plan led to much controversy. Banks and many lines of business refused to recognize the certificates. The plan eventually lapsed. Steps were also taken under the authority of the Social Credit Measures Act for a register of the people of the Province entitled to Social Credit dividends and for securing the adherence of various classes of the

people to a Social Credit system by means of covenants between the Government and those engaged in primary production, manufacturing, wholesale and retail trade, and other activities.

At a Special Session of the Legislature (Aug. 22 to Sept. 1, 1936) more definite provision was made in legislation for the establishment of Social Credit. The principal measure enacted provided for the creation of a State Credit House to distribute Alberta credit in the form of basic dividends, production loans or compensating discounts, Alberta credit being defined as the facilities provided by the Credit House for the exchange of goods and services within the Province. Subsequent to the Session the Government proceeded with steps towards the organization of this Credit House system.

From time to time Mr. Aberhart, in public statements, reiterated his assurances that Social Credit would be in operation, with the payment of basic dividends, within the 18 months, from the time of his assuming office, that he had allowed for its establishment. He made repeated appeals to his followers to be patient. Frequently he claimed that his position, course and utterances were misrepresented in the Press. Many of his most significant statements were made in his Sunday broadcast addresses from his Prophetic Bible Institute. The year 1936 closed without Social Credit having been established. The Social Credit League had, however, acquired a newspaper, *The Calgary Albertan,* and a broadcasting station, for keeping the public correctly informed on Social Credit matters and the policies and actions of the Social Credit Government.

Of wider interest and more general concern was the course of the Government during 1936 in connection with the financial affairs of the Province. In 1935, after coming to office, the Government had appealed to the bond dealers for co-operation in connection with the interest on Alberta's debt of about $160,000,000 which averaged 5 per cent. The Government did not think that the Province could pay more than 2¾ per cent. A loan from the Dominion Government had enabled the Province to meet a maturity in 1935, and a second loan was made by the Dominion Government to assist in the meeting of a maturity of $2,000,000 on Jan. 15, 1936. At the Dominion-Provincial Conference in December, 1935, a proposal had been approved for a loan council, representative of the Dominion Government, the Bank of Canada and the Provinces, to supervise the borrowings of Provinces requiring financial assistance from the Dominion. Alberta had a debt obligation of $3,200,000 maturing on Apr. 1, 1935, and, in applying to the Dominion Government for a loan to enable it to meet this maturity the Prime Minister (Mr. Aberhart) refused to assent to the loan council principle on the ground that to do so would be to sacrifice the autonomy of the Province. (This course had been advised by Major Douglas). Consequently, the Dominion Minister of Finance, the Hon. Charles Dunning, refused the loan. Without funds to meet the maturity, the Province defaulted, making only a "token payment" on interest. It was described as the first default by a Government in Canada. Then, followed the enactment of the Government's Bill authorizing them to effect a compulsory conversion of Alberta securities into perpetual securities at such rates of interest as they might prescribe. In May an Order-in-Council was passed, not under this Act but under the Treasury Act, reducing the rate of interest payable on Alberta securities to one-half the contract rates, for an annual saving of $3,000,000. Bondholders protective organizations were immediately formed and in London (England) Alberta bonds were removed from the official list of the Stock Exchange. Some

bond dealer organizations advised their clients not to accept interest payments at the reduced rates. A few months later investigators for an Alberta Bondholders' Committee published a report to the effect that the Province was economically and fiscally solvent and able to meet all its obligations in full, the people of the Province having an income of about $90,000,000 in excess of their living costs, which excess was 2½ times that of 1930. A second default occurred on Nov. 1 (1936) after both the Dominion Minister of Finance and the Bank of Canada had refused a Provincial appeal for a loan. In connection with this default an Act of the Special Session of the Legislature confirming the Order-in-Council reducing interest rates was proclaimed. Mr. Aberhart maintained in public statements that the arbitrary reduction in interest rates was not repudiation but action to prevent repudiation. Legislation was also passed at the Special Session limiting to 3 per cent. the interest payable by municipalities on their debts.

Of correspondingly wide interest during the period under review was the legislation enacted in Alberta under the Social Credit Government greatly extending the restrictions on actions by creditors for recovery of debts.

The Tax Inquiry Board, 1935

An Alberta Tax Inquiry Board was appointed under Order-in-Council on Dec. 1, 1933, with Mr. J. F. Percival, Deputy Provincial Treasurer, as Chairman. Its Report, tabled in the Legislature, was dated Nov. 30, 1935. The Board found that the tax structure of urban municipalities was strained almost to the breaking point and that the tax structure of the Province itself was lacking in productiveness and quite inadequate to meet its obligations through normal channels of taxation. Among the conclusions and recommendations it offered with the object of correcting defects in the taxation system and bringing it into line with changed social and economic conditions were the following:

Provincial taxation—that an agreement between the Dominion, Provincial and municipal taxing authorities should be reached as to their respective obligations; that the Dominion should bear the total cost of unemployment relief and Old Age Pensions; that a public revenue tax should be imposed to cover the cost of mental hospitals, sanatoria, Mothers' Allowances and other social services which should be regarded as a Provincial rather than a municipal responsibility; that the Wild Lands tax should be repealed; that the application of the Fuel Oil tax should be extended and the rate should be reduced from 7 to 4 cents, or that the rate should remain at 7 cents and the refund should be 5 cents instead of 6 cents and should be restricted to fuel oil used for agricultural purposes; that the Income tax should be revised to produce larger revenue and collected by the Dominion; that taxation of mineral resources should be reserved to the Province; that the imposition of a Wage tax and Sales tax should be considered; that the tax on electric power companies should be considered for revision; and that a tax commission should be appointed to ensure continuity of study.

Municipal taxation—it was concluded that taxation on land had become excessive and confiscatory and had resulted in the destruction of value; that real property was no longer a criterion of wealth and should not be taxed to the extent of 80 or 90 per cent. of the financial requirements of the community; that the annual capitalization by cities of large sums in respect of unemployed relief, while necessary in existing circum-

stances, was an injustice to property owners and would result in the collapse of municipal finance; suggested larger units of rural school administration; reduction in tax exemptions in cities; uniformity of business taxation by cities; that the relation between taxation and income-bearing capacity should become a determining factor in the assessment structure of taxing authorities.

Other Provincial Affairs of 1935 and 1936

The Final Report of the Legislative Commission under the Chairmanship of the Hon. George Hoadley, Minister of Health, appointed in 1932 to consider and report on the best method of making adequate medical and health services available to all the people of Alberta, was before the Legislature in 1935. The Commission recommended a system of contributory health insurance for the more thickly populated areas of the Province and the services of a doctor and a nurse for pioneer areas.

The U.F.A. Government in 1935 appointed a Committee under the Chairmanship of O. S. Longman, B.S.A., Field Crops Commissioner, to investigate and report upon the problems confronting the drought areas of the Province. The Committee, reporting in 1936, recommended that unfavourable dry areas should be under the Special Municipal Areas Act; that in areas administered under the Act direct relief should be substituted for agricultural relief and a programme of improved farm culture and small irrigation projects should be inaugurated; that consideration should be given to the development of types of farming suitable to types of soil; that consideration should be given to the desirability of storage facilities for seed and feed and for various farm economies; that opportunity should be given residents of the areas to form residential community centres; and that agricultural activities should be extended to embrace instruction of farmers. On the subject of crop insurance the Committee suggested that any one of three courses was open, namely, state co-operative crop insurance, a planned production control programme in conjunction with the other Provinces, similar to the United States' AAA programme, and a Province-wide system of farm storage to carry supplies from year to year.

In 1936 a Commission appointed by the Provincial Government, with the Hon. A. F. Ewing of the Supreme Court of Alberta as Chairman, conducted an Inquiry into the various phases of irrigation development in Alberta. In its Report, it recommended that all the irrigation projects should be kept in operation.

In January, 1935, the Appellate Division of the Supreme Court of Alberta heard an appeal by Vivian MacMillan and her father, A. D. MacMillan of Edson, Alberta, from the judgment rendered in 1934 by the trial judge, Mr. Justice W. C. Ives, who had refused to enter a jury verdict awarding the girl, a former stenographer in the employ of the Alberta Government, $10,000 damages and her father $5,000 for her seduction by the then Prime Minister of the Province, the Hon. J. E. Brownlee (see *The Canadian Annual Review, 1934*). On Feb. 2, 1935, the appeal was dismissed with costs. The Court divided three to two, the majority, including the Chief Justice, finding that at the trial there had been no evidence of damages on which the jury could rightly have returned the verdict it did return and that the trial judge had acted properly in refusing to enter the verdict. The dissenting judgments held that the girl had sustained her action and should be awarded damages in $10,000 and costs but that the appeal of the father should be dismissed. The

case was taken to the Supreme Court of Canada where on Oct. 19, 1936, the appeal was concluded, judgment being reserved. (On Mar. 1, 1937, the Court ruled, with Mr. Justice H. H. Davis dissenting, that the jury's verdict, awarding $10,000 to Vivian MacMillan, should be restored. All costs in the case were given against Mr. Brownlee. The latter was given special leave to appeal to the Privy Council; the case was listed for hearing by the Privy Council on Jan. 16, 1939.)

On Dec. 16, 1935, the Judicial Committee of the Privy Council in London dismissed an appeal, which had been heard in July, brought by Cora Lillian McPherson of Edmonton against a judgment of the Supreme Court of Alberta rendered in an action to have set aside a decree of divorce granted to her husband, O. L. McPherson, former Minister of Public Works in the Brownlee Cabinet.

Incidents of the period included the appointment in May, 1936, of Mr. Lucien Maynard (S.C., Beaver River) as Minister without Portfolio; the establishment in September, 1936, by the Government of a Trade Commissioner's office in Montreal to look after the external trade matters of the Province in Eastern Canada; and the announcement on Oct. 1, 1936, that Lieut.-Col. P. C. H. Primrose had been sworn in as Lieutenant-Governor of the Province in succession to the Hon. W. L. Walsh whose term had expired.

On Nov. 7, 1936, the Provincial Treasurer reported that at Mar. 31 there had been a Deficit in Ordinary Account of $1,650,792 and that unemployment relief and other extraordinary expenses would bring the increase in the Public Debt for the fiscal year ended on that date to $7,472,000.

The first action under the Recall measure enacted during the Special Session of 1936 was taken in the constituency of Taber where the Social Credit organization decided to circulate a petition for the recall of the Social Credit Member, James Hansen, who had previously been repudiated by the organization for failure to co-operate with the Government.

The Bill passed at the regular Session of the Legislature in 1936 providing for the creation of a Minimum Wage Board to fix minimum wages for male workers was proclaimed in November, 1936.

Owing to the illness of the Hon. E. C. Manning, the Hon. W. W. Cross became acting Minister of Trade and Industry and the Hon. J. W. Hugill became acting Provincial Secretary on Nov. 19, 1936.

The Provincial Auditor issued a report on Nov. 20, 1936, showing that for the first six months of the current fiscal year, to Sept. 30, there was a Surplus in Ordinary Account of $232,000 and an increase in the Public Debt of $2,244,000. Revenue showed an increase of $1,728,000 over the corresponding period of the previous year and Expenditure showed a decrease of $284,000, $1,013,000 of unemployment relief being charged to Revenue Account. Capital Account bore expenditures of $1,317,000 for agricultural relief and $790,000 for highway projects. The Income tax, which had been increased, produced additional revenue of $373,000, the Sales tax, $330,000, the Liquor Business tax, $356,000 and Automobile Licences, $281,000. A saving of $345,000 was effected on debt charges.

During the year 1936 codes for the regulation of industry, business and the trades were issued from time to time and efforts made to bring them into operation but difficulties were encountered and the system was not extensively in effect.

The Fifth Session of the Seventh Legislature, 1935

The Fifth Session of the Seventh Legislature was opened on Feb. 7, 1935, by the Lieutenant-Governor, the Hon. William Legh Walsh. The Speech from the Throne noted some improvement in conditions, including average crops, except in some drought districts, and better prices than in the previous year. It was stated, however, that economic conditions still were far from satisfactory. Much of the debt of agriculture, incurred during more prosperous years, could not be paid in full. Having urged the Dominion Government to provide for the compulsory writing down of farmers' debts, the Government welcomed the Farmers' Creditors Arrangement Act. It was proposed to ask the Legislature to assent to a Resolution urging the Dominion Government to take legislative action for a general reduction in the rate of interest on all loans or credits of every kind. The Government were making efforts towards lessening damage by drought. It was stated that the Board which had been inquiring into the general problem of taxation would continue its work. A gratifying condition in the field of education was the larger percentage of schools in operation and the higher ratio of high school enrolment. Measures, the Speech stated, had been and could be taken to make the Dominion Marketing legislation available to Alberta. The Government intended to proceed with a revision of the rules of Court in order to make the services of the legal profession and the courts more generally available to the people. The Department of Trade and Industry, which had been established since the previous Session, would proceed with the formulation of policies designed to further industrial and commercial development and to prevent unfair practices. Unemployment had decreased and the Provincial Government were urging the Dominion Government to extend their programme for the absorption of the unemployed into employment. With the completion of main arterial highways in sight, the Government proposed to turn their attention to secondary and market roads.

With a Provincial General Election in view, debate in the Legislature was keen from the outset. Mr. Howson, Liberal Leader, submitted, Feb. 11, a sweeping Amendment to the Address-in-Reply to the Speech from the Throne. This Amendment covered various phases of Provincial economy. It proposed, in respect of agriculture, reorganization of the Department of Agriculture; efforts to obtain better markets and lower freight rates; regulation of packers competing with farmers in the feeding and finishing of live stock; encouragement of the sugar beet industry and other special branches of agriculture for the irrigated lands; conservation of water resources; effective debt adjustment measures; taxation revision; obtaining working capital for agriculture at reduced interest rates; and improved health and education services for the rural sections. In respect of taxation and economy the Amendment proposed a complete reorganization of every Department of the Government; reduction of interest on bonded indebtedness; re-division of the proceeds of taxation among the Province, municipalities and school districts; application of all net capital revenue to debt reduction; and maintenance of a proper sinking fund. The Amendment proposed that provision should be made so that during the continuance of the depression no home should be lost through inability of the owner to pay debts or taxes. It proposed reorganization of the Province's unemployment relief system, with work at regular wages substituted for the dole; betterment of the condition of ex-service men and their dependants; various efforts to encourage industry; subsidizing of

medical practitioners and nurses for districts where they were not available and a plan of health insurance, with special attention to the health of children; improvements in the system of education with better treatment of teachers; a new basic policy for the telephone system; investigation of the finances of the Province and an effort to have the Dominion Government provide financial assistance and credit for the purpose of debt refunding and necessary public works. With regard to monetary reform the Amendment favoured a state-owned central bank to control and manage the monetary system in terms of public need. With regard to Social Credit, the Amendment proposed the employment of three experts to investigate schemes of Social Credit and evolve a plan for submission to the Legislature.

When this Amendment was ruled out of order by the Speaker, Mr. Duggan, Conservative Leader, moved a straight no confidence Amendment. In speaking to his Motion Mr. Duggan advocated that the Government should invite William Aberhart and other advocates of Social Credit to appear before a Special Committee to submit their schemes, which, if found practical and within the legislative competence of the Province, the Members would desire to have put into effect. Mr. Duggan favoured refinancing. He urged steps in co-operation with the Dominion, other Western Provinces and the municipalities looking to elimination of duplication in services and consequent waste. He favoured having the Dominion guarantee the financing and refunding of the Western Provinces and a reorganization of the machinery of Provincial and municipal government with a view to economy. Mr. Duggan's Amendment was supported by the Liberals. It was defeated by the Government majority, Labour voting with the Ministry. Mr. Fred J. White, Labour Leader, in the same Debate, criticized rates paid by the Province for road work. He advocated reduction in the working day and revision of the Workmen's Compensation Act. Mr. F. C. Moyer, Independent Group Leader, made the Debate the occasion for charging inefficiency in the conduct of the Civil Service under a one-man Commission. He criticized the Government for failure to offer plans for dealing with unemployment, debt and other economic conditions. Speaking for the first time in a "full dress" Debate in the Legislature as Prime Minister, the Hon. R. G. Reid disclosed that his Government had proposed to the Governments of other Western Provinces joint action by the Provinces and municipalities looking to debt refunding, entailing the co-operation of the Dominion Government. Mr. Reid pointed out that Provincial taxation in Alberta was very low and the tax burden of the Province was attributable to municipal levies rather than to Provincial taxes. The difficulties in connection with municipal finance were largely due to the cost of unemployment relief and the diminishing returns from property taxes. Holding that marketing schemes and markets were necessarily associated, he showed that all but a small percentage of Alberta live stock products were consumed in Canada. Mr. Reid was confident that the Dominion Government realized the need for some action respecting the Public Debt of the Western Provinces. The Debate on the Address-in-Reply to the Speech from the Throne continued, with 30 speakers in all, until Feb. 25, when the Address was adopted without division.

Public Accounts, Estimates, the Budget, 1935

Public Accounts for the fiscal year ended Mar. 31, 1934, showed that in the General Revenue Account there was a Deficit of $1,878,031 instead

of the Estimated Surplus, $9,700. This compared with a Deficit of $2,107,521 in the previous fiscal year. Actual Revenue amounted to $15,178,607 as against Estimated Revenue of $16,791,840 and Actual Expenditure amounted to $17,056,639 as against Estimated Expenditure of $16,782,140. In addition, there was a deficit in the account of Alberta Government Telephones of $342,187 without provision for depreciation. Debt charges accounted for $6,943,310 of the Expenditure under the General Revenue Account. The total cost of unemployment relief for the fiscal year ended Mar. 31, 1934, was $4,162,997, of which $1,482,221 was charged to the Dominion, $1,642,673 to the Province and $1,038,104 to the Municipalities. This was a reduction from the previous fiscal year of $682,923. The Public Accounts showed the Net Funded Debt of the Province as at Mar. 31, 1934, as $132,143,064.95, which was a decrease for the year of $1,017,714.

Estimates of Revenue and Expenditure for the fiscal year ended Mar. 31, 1936, as tabled in the Legislature, showed Expenditure by Special Warrants after prorogation of the Legislature in respect of the fiscal year ended Mar. 31, 1934, of $136,696, most of it on Capital Account. They showed Expenditure under Special Warrants for the period Apr. 19, 1934, to Feb. 6, 1935, of $670,469 on Revenue Account and $5,347,703 on Capital Account. For the fiscal year ended Mar. 31, 1936 Revenue on Revenue Account was estimated at $15,331,774 and Expenditure on Revenue Account at $15,302,000, leaving an Estimated Deficit after providing $729,253 for Sinking Funds of $699,479. Receipts on Capital Account were estimated at $971,255 and Expenditures at $5,065,626, which included $2,139,256 for unemployment and agricultural relief. The appropriations for highways were increased $1,100,000 and for bridges, $100,000 from the previous year.

The Hon. J. R. Love, Provincial Treasurer, delivered the Budget Speech on Mar. 8, 1935. In it he showed a substantial decrease in unemployment, the number of persons on relief having dropped from 60,017 in March, 1934, to 46,704 in January, 1935. He stated that for the period Oct. 4, 1930, to Dec. 31, 1934, the total expenditure for unemployment works and direct relief had been $20,837,173, apportioned as follows: Dominion, $7,771,739, Province, $8,654,671 and Municipalities, $4,410,763. Also, over $2,400,000 had been expended by the Province for agricultural relief during the period, of which $1,400,000 represented advances for seed and fodder and $258,250 was for extermination of grasshoppers, making a total cost to the Provincial Government of $11,312,921 for all types of relief. Dominion loans to Alberta under Relief Acts outstanding to Mar. 31, 1935, were estimated at $11,977,000, of which $3,142,000 was to meet maturing obligations and interest, $2,235,000 for agricultural relief, $6,600,000 for Provincial purposes generally including public works and direct relief.

In the Budget Speech the Minister stated that during the calendar year ended Dec. 31, 1934, loans to members of Associations included in the Alberta Rural Credit Corporation totalled $69,768 and collections amounted to $154,113. Of the loans totalling $155,345 taken up by the Government under their guarantee, $100,345 had been repaid from the reserves of the Corporation and $3,102.88 collected from the debtors. It was estimated that $50,000 would ultimately be recovered from the borrowers. The total loans outstanding at Dec. 31, 1934, amounted to $1,581,315 as against $1,545,571 on Dec. 31, 1933. Loans made to Sugar Beet Societies totalled $47,649 and were paid in full. The total loans taken up by the Government under their guarantees amounted to $569,000, of which $109,968 had been

recovered from collections and reserves of the Alberta Rural Credit Corporation and it was anticipated further recoveries would amount to $165,000.

The problem of agricultural relief, the Minister said, had become increasingly serious owing to successive crop failures. In some 35 Municipal Districts farmers had suffered almost a total crop failure for three and four successive years and approximately 27 Municipalities had had two successive crop failures. Seed grain advances were made to 2,386 farmers and 6,000 fodder loans were made in 1934. Over 3,700 families had been moved from this area to other parts of the Province.

The Net Funded Debt of the Province at Dec. 31, 1934, amounted to $135,811,912 as compared with $132,143,065 at Mar. 31, 1934, and the Net Unfunded Debt, $13,650,742 as compared with $12,405,598, the total increase in the Net Funded and Unfunded Debt being $4,913,991, due largely to capital expenditure on agricultural and unemployment relief, road construction and loans to cities. The Minister stated that the upward trend of the market for Western Provincial debentures during the year enabled the Government to sell $3,000,000, 4 per cent. 20-year debentures, callable after 15 years, at a cost basis of 4.36½ per cent., which, with one exception, was the lowest cost of financing since the inception of the Province.

Mr. Love said that the Government did not consider it wise, in view of the financial position of the people, to increase the tax burden and with the exception of an increase in the fuel oil tax no upward revision of the taxation rates was contemplated. A Tax Inquiry Board had been appointed to make a survey of the various forms of taxation in effect in the Province. The Provincial Income tax had not been productive to the extent anticipated. The Minister felt that further effort should be made to secure either an increase in the Dominion subsidy or to induce the Dominion Government to allocate the entire field of Income taxation to the Provincial Governments. The latter would yield the Province an additional $1,300,000 in revenue.

While the Government, he said, had adhered to policies that had not adversely affected the credit of the Province they had maintained that the Provincial Debt should be refunded at lower rates of interest, but this could only be effected with the assistance of the Dominion Government, which should be held to a minimum. The amount of debt to which a refunding plan should apply, arrived at by excluding saving certificates, sinking funds, special investment fund and cash in hand and Sterling issues, the Provincial Treasurer placed at $131,000,000. For purposes of illustration he assumed that under a refunding plan $80,000,000 would be converted into consolidated perpetual stock at 3 per cent. interest, the interest only to be guaranteed by the Federal Government, and the remaining $51,000,000 would be converted into 31-year serial debentures (equal annual instalments of principal and interest) bearing interest at 3½ per cent. Surpluses on Ordinary Revenue and Expenditure would be applied from time to time to the purchase of the perpetual stock. Under such a plan the annual Debt carrying charges would be reduced by $2,100,813, to $6,086,961 from the current amount of $8,187,773 (including Telephones). The $2,400,000 interest on the proposed perpetual stock was the only amount it was suggested that the Dominion should guarantee and it was noted that the Dominion subsidy to the Province amounted to $1,771,000.

The increase announced in the fuel oil tax was from 6 to 7 cents a gallon and Mr. Love estimated an increase in the Revenue from this tax

of $450,000. He also estimated an increase in the profits of the Liquor Control Board of $435,000, these profits having increased by $300,000 for eleven months of the current fiscal year over the corresponding period of the previous year.

In the Budget Debate Mr. Howson, Liberal Leader, charged that the Government were under the influence of "money barons" and tied to the prevailing monetary system. He saw no hope in the Budget Speech for the various vital interests of the Province. He condemned the Government on the ground of their being opposed to monetary reform. He moved a want of confidence Amendment to the Motion for adoption of the Budget. The Government were also attacked in the Debate by Mr. Duggan, Conservative Leader, who criticized that part of the Provincial Treasurer's Debt refunding plan which would make part of the Debt perpetual. Mr. Duggan advocated the appointment by the Dominion Government of a Commission to investigate governmental and financial matters of the Dominion and Provinces. He favoured additional banking and credit facilities for farmers, a Public Utilities Board to control the price of gasoline, a Dominion-Provincial Conference to determine what measure of control would be required by the Dominion Government in order that the Western Provinces might obtain their guarantee in funding and refunding, which, in his opinion, constituted the major problems of the Province. Mr. Duggan said he would support the Liberal no-confidence Motion.

Answering charges that the Government had increased taxation, the Prime Minister, Mr. Reid, stated that Revenue, not taxation, had increased, and mainly from the tax on gasoline, automobile licences and liquor profits. The *per capita* tax on property had fallen between 1921 and 1934 from $3.41 to $1.30. The Government, he said, had increased Services with increased Revenue and had decreased taxation. He announced that the Tax Inquiry Board had been asked to study the question of a Production tax. Mr. Brownlee, former Prime Minister of the Province, speaking in the Budget Debate, held that agricultural debts would have to be reduced from 25 to 50 per cent. He advocated extension of both the Dominion and the Provincial debt adjustment machinery. He did not favour slashing expenditures.

After an extensive Debate Mr. Howson's no-confidence Amendment to the Budget Motion was defeated 36 to 19 and the main Motion subsequently carried, 37 to 20.

Legislation and Incidents of the 1935 Session

Nearly one hundred Bills in all were passed during the Session before Prorogation on Apr. 23. Many of them were amending Bills, making minor alterations in existing Statutes. Much of the legislation had to do with public and private debt. The Agricultural Industry Stabilization Act, which was to continue in force until May 1, 1938, granted extensive relief to farm debtors from the action of creditors. It provided that a resident farmer should be entitled to retain against creditor execution or claim for rent payable under a mortgage or agreement for sale, amounts in money or marketable produce sufficient to provide for himself and family all necessaries of life for twelve months, to pay any debts incurred in growing or harvesting his crops or preparing and feeding live stock, to pay taxes, to finance farming operations for twelve months, and all live stock and equipment necessary for farm operations. Under this legislation the creditor, before taking distress action for rent would have to

obtain from the Debt Adjustment Board a certificate showing that the farmer was possessed of the goods and chattels or money he was entitled to retain. The legislation required the Debt Adjustment Board to provide farmers with advisory and legal assistance for making applications under the Dominion Debt Adjustment legislation, if requested. It empowered the Government to appoint an official to negotiate with creditors by class or group for a general reduction of indebtedness in the Province and for setting up local committees to handle debt adjustment matters. No recovery on principal under a mortgage or agreement for sale was to be permitted until the land had been sold pursuant to a court order and no sum in excess of the selling price should be recoverable.

By new legislation one car or motor truck was added to the list of chattels covered by the Exemptions Act; persons owing the Province for grasshopper poison were relieved of the debt; the United Irrigation District was relieved from liability for interest and sinking fund payments in the years 1934, 1935 and 1936 in respect of debentures for $550,000 guaranteed by the Province; and the Unemployment Relief Act, 1933 was continued in force until Mar. 31, 1936.

A Bill was passed giving the Government power to intervene in the affairs of a municipality where it was in an unsatisfactory state, by dismissing the Council or officers of the municipality and appointing an administrator and a controller with jurisdiction over the municipality's affairs. Amendments to the Alberta Insurance Act brought it into line with corresponding legislation in other Provinces. They also provided for the activities of mutual benefit societies on a safe basis. Legislation provided for the creation of rural telephone areas and their assignment to rural telephone companies and for the regulation of such areas and companies.

Prominent among the measures passed was the Alberta Health Insurance Act. This measure empowered the Government to appoint a Health Insurance Commission with power to create and administer health insurance districts where local elections were in favour of such action. Contributions for the health insurance fund of the district were fixed as follows: the municipality, $11.28 *per annum* less 2 per cent. for prompt payment for each resident; the Provincial Treasurer, $3.28 *per annum* for each resident; earners of regular salary or wage $2.01 per month; casual employees, one cent per hour employed; other income earners, $33.83 *per annum*; employer, 81 cents per month for each employee and one-half cent per hour for casual employees. The Act provided that every resident of a medical district should be entitled to receive the following benefits: hospitalization in a public ward, nursing services, medical and surgical attention and treatment, dental attention and treatment, laboratory services and hospital facilities for diagnosis, drugs, medical and surgical supplies. The medical practitioner or dentist consulted by a resident would be paid by the Commission according to the tariff prescribed by the Act. The Commission was authorized to carry on clinics and otherwise provide for all services pertaining to community health. The Act was to come into force on proclamation.

A measure that provoked considerable controversy before it was passed provided for the prohibition of the publication of details or evidence in judicial proceedings in relation to marriage or separation or nullity of marriage. It provided maximum fines of $1,000 in the case of a natural person and $5,000 in the case of a body corporate for contravention of the Act, and in the case of the publication of the prohibited matter in a

newspaper it provided that the editor, the proprietor and the publisher should each be guilty. It also prohibited distribution within the Province of any publication containing obscene or immoral articles.

The Dairymen's Act was amended in a manner making extensive provisions for the control by licensing of motor vehicles engaged in carrying cream to creameries except vehicles owned by the purchaser or producer of the cream. An Act was passed providing for the establishment of a Juvenile Court for the Province with the necessary machinery for its proper functioning, including clerks and probation officers, and Juvenile Court Committees in communities where there were no Children's Aid Societies. The Libel and Slander Act was amended to provide that in an action for libel contained in a newspaper the defendant might plead in mitigation of damages that the libel was inserted without malice and gross negligence and that at the earliest opportunity he had inserted a full apology.

An Industrial Standards Bill in line with legislation of other Provinces was passed making provision for standards of wages and hours of work in industry. Enforcement was placed under the Bureau of Labour. It was provided that the responsible Minister might convene a conference of employers and employees, upon petition of either, for the purpose of negotiation of standards of wages and hours of labour in any one or more zones. Where a schedule was agreed upon the Minister could declare it in force for the industry. Employers and employees were authorized to establish a Board to hear complaints and assist in the enforcement of the schedule. Employers and employees were prohibited from contravening the schedule. A Bill was passed providing for the establishment of The Alberta Teachers' Association. An Act provided that the owner of land could be held responsible for damage caused to another by soil drifting if he did not carry out provisions of the Act with regard to cultivation of the land and summer-fallowing. The Solemnization of Marriage Act was amended in a manner to place certain restrictions on the issuing of marriage licences and the solemnization of marriage. Clergymen were forbidden to solemnize a marriage unless the parties produced a licence or a certificate of the publication of banns and a certificate by each party setting out that the party was not infected with any venereal disease or tuberculosis. Except in certain specified cases no marriage licence could be issued until three days after application was made. No licence could be issued until each of the parties presented an affidavit that the party was not infected with any venereal disease or tuberculosis. Except in certain cases issuing of licences to minors, without the consent of parents or guardians, was forbidden.

The steady growth of Social Credit sentiment was reflected in the Legislature throughout the Session. On Feb. 21 the Prime Minister announced that he had invited Major C. H. Douglas of England, originator of Social Credit, to come to Alberta as reconstruction adviser to the Government. This was in line with a Resolution passed at the U.F.A. Convention in Calgary in January. Subsequently Major Douglas accepted the invitation and was engaged as adviser for a period of two years during each of which years he was to spend at least three weeks in the Province. Later, on Mar. 5, the Legislature passed a Resolution of the Conservative Leader proposing that Mr. William Aberhart should be invited to visit Edmonton for the purpose of submitting a comprehensive Social Credit plan for the consideration of the Legislature.

Other matters engaged the attention of the Legislature. On Feb. 26 a Resolution was passed advocating a rail outlet for the Peace River area and, pending its provision, a subvention on products shipped out of the area. On Mar. 1 a Resolution was passed advocating the complete nationalization of the Bank of Canada as a means of the socialization of credit and the restoration to the State of the sole control of currency and new credit. On Mar. 7 a Resolution was passed advocating restrictions on defective immigrants.

On Mar. 25 the Government was saved by a majority of only one vote in a division on a Motion by the Conservative Leader (Mr. Duggan) that the Committee of the Whole should rise and report and ask the Government to reduce the Estimates and the membership in the House. It was the nearest approach to defeat for the Ministry in 14 years.

The Bill for restricting publication of evidence in certain judicial proceedings gave rise to some stormy scenes. On Apr. 15, following Debate on the Bill, Mr. O. L. McPherson (U.F.A. Member for Little Bow and former Minister of Public Works) was in a verbal argument with Mr. Charles E. Campbell, owner and publisher of *The Edmonton Bulletin* and Mr. McPherson struck Mr. Campbell a blow. On Apr. 17, when the same Bill was under discussion and when Mr. McPherson was addressing the House, Mr. Joseph A. Clarke, Mayor of Edmonton, rose in the public gallery and shouted that the Member was a liar, the Member having stated that he was among those present at a certain Liberal meeting.

The General Election of 1935; A Social Credit Cabinet

From the beginning of 1935 public affairs in Alberta began taking shape for the Provincial General Election which was due in the Summer of that year, the term of the Legislature being close to its expiration. The U.F.A. Government had been in office since 1921 and was adhering closely to established economic principles and policies, while the most significant feature of the pre-Election situation was the growth and aggressiveness of the Social Credit movement. At Calgary on Apr. 5, a Convention of the Social Credit League resolved to enter the Election campaign. Mr. Aberhart was chosen as Leader; but it was decided that he should not be a candidate. It was proposed that he and a council should select the candidates from slates to be submitted by local organizations. The Convention framed a platform which called for the cessation of outside borrowing and the creation of the Province's own credit; the distribution of purchasing power by means of "basic dividends" for all men and women in the Province ($25 a month was the amount mentioned); the establishment of a "just price" on all goods and services and the regulation of price spread; an Amendment to the Alberta Debt Adjustment legislation extending the provisions to all classes of debtors and preventing hasty foreclosure; production loans; the development of markets for agricultural products and a definite policy for the drought areas; a reduction in the membership of the Legislature, a system of multiple constituencies and the "right of recall" of Members; and the settlement of essential industries in the Province. At the conclusion of the Convention, Mr. Aberhart predicted a landslide for Social Credit at the polls. On May 16 *The Canadian Press* in a news item stated that there was a rush to secure naturalization by people who wished to become eligible for the proposed Provincial basic dividends.

On June 5 an interim report by Major Douglas of England was made public. He had arrived in Edmonton about May 12, having accepted a contract to act as adviser to the Government for two years during which period he was to make four visits to the Province. The greater part of his report was taken up with a discussion of his economic theories and principles. With regard to Alberta it expressed the view that little could be done to relieve the economic difficulties of the Province without a departure from methods previously employed. He confined himself in his preliminary report to "possible methods and strategy with regard to the preliminary object, that of obtaining access to the public credit." He anticipated that every step in this direction would be opposed by the Bank of Canada, acting for the international bankers. He felt it safer to assume, also, that the banking system of Canada would unite against such steps. The legal position in Alberta, the report said, was by no means clear. While the Dominion held the right to printing legal tender, property and civil rights were under Provincial jurisdiction and the Province had the right to raise money in loans. He concluded, therefore, that there was room for considerable action on the part of the Province. A difficulty would arise, he thought, where commodities had to be imported from outside the Province's own credit area and it would be necessary to accumulate foreign currency or credit. Vindictive action by the financial authorities, he said, could be pilloried through the agency of press and broadcasting. Further sanctions within the power of the Province against these authorities, "which do not contemplate essential repudiation," existed in the external Provincial debt and in the anxiety of external producers to receive Alberta orders. The line of action discussed might mean, he thought, temporary difficulties about imports and political conflict with the Dominion Government and a good deal of misrepresentation; but within a short time it would make it possible to minimize the unemployment problem, increase the standard of living and develop Provincial resources. Preliminary steps to be taken were: systematic provision of a news circulation system under the unchallangeable control of the Province, particularly in regard to radio facilities; organization of some credit institution under the Dominion Bank Act or otherwise "which will give access to the creation of effective demand through the credit system"; accumulation of foreign exchange. In a covering letter to the Prime Minister, Major Douglas made two suggestions: (1) that as early as possible a coalition Government should be formed and (2) that a Department of Public Relations should be organized specifically to deal with criticism from the public and with loose accusations of defective administration. In a letter to the Hon. J. F. Lymburn (Attorney-General) Major Douglas suggested that Mr. Aberhart should give less detail in his speeches to the public. In making the letter public Mr. Lymburn issued a statement in which he said that in his judgment the Douglas report indicated how little could be done provincially in the matter. In his view, the Douglas Social Credit plan was predicated upon the power of the State to issue purchasing power or money and the Provincial Government had no such power. Moreover, the idea that each Province should have such power was foreign to the whole conception of Confederation.

On June 5 the Conservative Party under Mr. Duggan announced its Election platform. The chief plank was unequivocally opposed to Social Credit. With others holding the same principles it was willing to cooperate. The platform proposed the refunding of Provincial and municipal debt at lower rates of interest; the reduction in the membership of the Legislature; the readjustment of responsibilities and powers, in-

cluding taxing powers, as between the Dominion and the Province; a balanced Budget and the maintenance of Public Services.

At midnight, July 10, 1935, the Seventh Legislature of the Province expired in the absence of a proclamation of Dissolution, the term of five years being up. On the 16th the Government announced that the Election would be held on Aug. 22.

The platform of the Liberal Party under Mr. Howson was made public on July 13. It embraced an aggressive programme of agricultural stimulation, including efforts for larger markets; the revision of the taxation system; the obtaining of working capital at lower rates of interest; a reduction in the carrying charges on debt and a reduction in debt and taxation by applying net capital revenue to debt reduction; the protection of the home against tax collectors and creditors; an improved public health service and insurance; an improved and revised educational system; work instead of dole for the unemployed until the Dominion Government acknowledged full responsibility; the development of natural resources and encouragement of new industries; a reduction in the membership of the Legislature; and public ownership of the Central Bank. The platform pledged the Liberal Party, if returned to office, to employ three expert advocates of Social Credit to investigate proposed schemes and prepare a plan of Social Credit for submission to the Legislature.

The Alberta Branch of the Canadian Labour Party, which was placing candidates in the field, issued a platform calling for a commission to examine means of utilizing the natural resources in the public interest; a planned system of social economy for the production, the distribution and sale of goods and services; and socialization of banking and insurance services. The Prime Minister (Mr. Reid) on July 24 made public the Manifesto of the U.F.A. Government. He stated that the Province had not the authority in itself to try proposed social schemes. The Government advocated the recovery by the Dominion of the absolute power to control, issue and regulate credit and currency. It proposed an immediate reduction of the age for Old Age Pensions from 70 to 60 years. Other proposals included work and wages for the unemployed; refunding of the Debt at lower rates of interest; a five per cent. maximum interest rate on private mortgages; a marketing plan; and a higher Dominion subsidy to the Province to compensate for unequal incidence of the tariff policy.

An additional factor in the campaign developed with the organization of the Economic Safety League, with Dr. William Egbert, a former Lieutenant-Governor, as Chairman, to fight Social Credit. It was to address the public by radio broadcasts twice a day from Aug. 1 until the Election. All Parties were opposing Social Credit, although on somewhat different lines. The Conservative Party stood for "unequivocal opposition" to it. The Liberal Party called for the submission of a Social Credit plan devised by experts. The U.F.A. Government held that it had been established that the Social Credit proposals were not within the legislative competence of the Province, but they were ready to consult Major Douglas further.

The close of nominations on Aug. 12 found 239 candidates nominated for the 63 seats in the Legislature. There were no elections by acclamation and most of the constituencies had several candidates. The Social Credit League nominated 62 candidates; the Liberals 61, exclusive of an

Independent Liberal; the U.F.A., 45; the Conservatives, 39; and Labour, 12. In addition there were 8 Independents, 9 Communists, one Single Taxer, and one C.C.F. candidate. The largest number of candidates in any previous election was 183, in 1926.

After the smoke of battle began to clear away following the close of the polls on Aug. 22 it was quickly seen that Social Credit had made almost a clean sweep of the Province, although final Election returns were not received for several days owing to the complicated system of voting. The U.F.A. Government was completely obliterated, no Minister or supporter surviving. The final returns showed the 63 seats to be distributed as follows: Social Credit, 56; Liberals, 5; and Conservatives, 2. On Aug. 26, Mr. Aberhart, faced with the task of forming a Government, issued a statement declaring that Social Credit was determined to maintain the credit of Canada at par. He said there was no better investment in Canada at the time than Alberta bonds. No rash or precipitate action would be taken. The Social Credit purpose was to distribute the goods and services which the Province possessed in abundance. On Aug. 25 Mr. Reid tendered the resignation of his Government but it was not accepted by the Lieutenant-Governor pending the readiness of Mr. Aberhart to accept an invitation to form a new Ministry. On Aug. 28 the Social Credit Party's elected and defeated candidates met in caucus in the assembly hall of the Prophetic Bible Institute in Calgary and passed a Resolution confirming Mr. Aberhart in the Leadership and favouring his acceptance of the invitation to become Prime Minister. It gave him a free hand in forming a Government and for that purpose placed any seats at his disposal that he might wish for himself or Ministers.

On Aug. 30 Mr. Aberhart announced the personnel of the incoming Ministry as follows: President of the Executive Council and Minister of Education, William Aberhart, Calgary; Attorney-General, John W. Hugill, K.C., Calgary; Minister of Lands and Mines, Charles C. Ross, Calgary; Provincial Secretary, E. C. Manning, Calgary; Minister of Agriculture, Trade and Industry, William F. Chant, Camrose; Minister of Public Works, Railways and Telephones, W. A. Fallow, Vermilion; Minister of Health, Dr. W. W. Cross, Hanna; Provincial Treasurer and Minister of Municipal Affairs, Charles Cockroft, Gadsby. Only two of these had not been returned in the General Election, Mr. Aberhart himself and Mr. Ross. Both were elected by acclamation on Nov. 14, Mr. Aberhart in Okotoks—High River and Mr. Ross in Athabasca, vacancies having been created by the resignations of the Members elected for those constituencies, Mr. William Morrison and Mr. C. H. Tade. The party standing for the new Legislature was: Social Credit, 56; Liberals, 5; and Conservatives, 2. The official returns gave the number of votes cast in the Election as 301,752, of which Social Credit received 163,700, the Liberals, 69,845, the U.F.A., 33,063, and the Conservatives, 19,358. The total vote in the Election in 1930 was 182,219.

The new Government took office on Sept. 3, 1935.

Two By-Elections in 1936 brought no change in the standing of the Parties in the Legislature. On June 22 Walter Morrish, Liberal, was elected in Edmonton in succession to W. R. Howson, Liberal Leader, who had resigned on being appointed to the Bench. He defeated Margaret Crang, Independent-Progressive and H. D. Ainley, C.C.F. In the Grouard constituency on Dec. 7, J. H. Tremblay, Liberal, was elected over W. J. Desrosiers, Social Credit, the By-Election having been occasioned by the death of the former Liberal Member, L. A. Giroux.

The First Session of the Eighth Legislature

The First Session of the Eighth Legislative Assembly was opened on Feb. 6, 1936, by the Lieutenant-Governor, the Hon. William Legh Walsh. Mr. Nathan Eldon Tanner was chosen as Speaker. In the Speech from the Throne His Honour made suitable reference to the sorrow of the people over the death of His Majesty King George V and to the Accession of His Majesty King Edward VIII. The Speech voiced the hope that the Dominion-Provincial Conference held at Ottawa might prove to be the beginning of a unified attack upon the forces tending to destroy the economic background. It stated that the depression showed little sign of abatement and that direct and agricultural relief and taxation would require careful attention. Industry and private enterprise, it said, should have encouragement. His Honour referred to the Government's promise to undertake economic reconstruction and stated that the solution of problems thus presented involved new conceptions of human rights and social justice. The two-year engagement by the former Government of Major C. H. Douglas was expected to be used to advance the introduction and establishment of Social Credit principles. A measure to that end was to be introduced. Mention was made of the need for consideration of the condition of agriculture, public and private debt, the desirability of capital investment in building, public health and educational demands. A measure providing for the recall of Members of the Legislature was forecast. One of the first acts of the Session was the adoption of an Address to His Majesty in reference to the death of King George V and His Majesty's Accession.

The Address-in-Reply to the Speech from the Throne was moved by the Rev. Roy Taylor (Soc.-Cred., Pincher Creek) and seconded by Mrs. W. W. Rogers (Soc.-Cred., Ponoka). Both referred to the aims of Social Credit. In the Debate that followed, the Liberal Leader stated that he did not believe that the Government or their supporters had any intention of paying dividends of $25 a month in purchasing power. He called on the Government to implement their undertaking immediately or resign. He said that he had repeatedly heard the Prime Minister promise the dividends. Mr. D. M. Duggan, Conservative Leader, asked in a notice of Motion for the production of the Government's correspondence with Major Douglas and Mr. R. J. Magor, actuarial expert retained by the Government. Both the Liberal Leader and the Conservative Leader raised questions in the House regarding statements attributed to Major Douglas, critical of the proposal before the Dominion-Provincial Conference for the creation of a loan council, as Major Douglas was a paid servant of the Government. On the Motion of the Prime Minister, who regarded the question as proper, the matter was referred to the Committee on Privileges. The question of whether Social Credit Members had promised a $25 dividend in the Election campaign featured the Debate on the Address. Early in the Session the Government Party voted down the Motion for the production of correspondence with Major Douglas, the seven Liberal and Conservative Members voting for it. The Debate on the Address-in-Reply to the Speech from the Throne continued until Feb. 19, 30 Members speaking, all but two of them supporters of the Government. All the speakers dealt with Social Credit. No Member of the Government participated. With the Prime Minister (Mr. Aberhart) taking the position that it amounted to a proposal of want of confidence in the Government, the Legislature, on a straight Party vote, defeated

an Opposition Motion to have Major Douglas and Mr. Magor appear before the Legislature for a discussion of financial questions.

At times during the Session Party lines were abandoned in votes in the House. On more than one occasion ministerial Motions were defeated, one such vote being against a measure to impose a tax of $1 on every dog in the Province in order to provide a fund to compensate owners of animals destroyed by dogs. Towards the end of the Session Social Credit Members became increasingly critical of Government measures.

Appointed to the Supreme Court of Alberta during the course of the Session, Mr. Howson (Liberal Leader) was given a demonstration by the Members on his farewell appearance in the House. Mr. J. J. Bowlen (Calgary) succeeded to the Liberal Leadership in the House.

Public Accounts, Estimates, the Budget, 1936

Public Accounts for the fiscal year ended Mar. 31, 1935, showed that in Income or General Revenue Account there was a Deficit of $1,738,051 where a Deficit of $524,108 had been estimated. Revenue amounted to $15,697,770 instead of the estimated $16,211,481 and Expenditure to $17,435,821 instead of the estimated $16,735,589. In addition there was a Deficit of $343,710 in the account of the Alberta Government Telephones. The total cost of unemployment relief for the fiscal year ended Mar. 31, 1935, was $4,624,788, of which $1,327,531 was charged to the Dominion, $2,096,995 to the Province and $1,200,263 to the municipalities. This was an increase from the previous fiscal year of $461,791. The Net Funded Debt of the Province as at Mar. 31, 1935, was given as $136,122,787, being an increase for the year of $3,979,722.

As a result of the change of Administration following on the Provincial General Election of Aug. 22, 1935, Interim Public Accounts were published showing the result of financial operations for the five months, to Aug. 31, 1935, of the fiscal year 1935-36. These indicated a Deficit for the period in the Income Account of $826,366 and in the account of the Alberta Government Telephones of $102,406. They revealed an increase for the five months in the Net Funded and Unfunded Debt of $3,313,978.

Estimates for the fiscal year ending Mar. 31, 1937, showed expenditure by special warrants after prorogation of the Legislature in respect of the fiscal year ended Mar. 31, 1935, of $496,391 on both Capital and Income Accounts and $4,270,700 in respect of the fiscal year ended Mar. 31, 1936.

In the Estimates for the fiscal year ending Mar. 31, 1937, the new Government included in Income Account expenditure on direct relief and certain public works formerly charged to Capital Account. Total Revenue on Income Account was estimated at $18,350,393 and Total Expenditure at $18,316,170, giving an Estimated Surplus of $34,222, after providing $1,497,667 for direct relief and $713,453 for sinking funds. On Capital Account Revenue was estimated at $664,509 and Expenditure, at $3,247,776.

In the Budget Speech delivered in the Legislature on Mar. 2, 1936, the Provincial Treasurer, the Hon. Charles Cockroft, explained how the Government proposed to raise the $3,268,619 by which the Revenue for the fiscal year was to be increased over the Estimated Revenue for the fiscal year 1935-36. It was estimated that the Dominion subsidy would be increased by $243,900 on the expectation that the Census would show

Alberta's population at 800,000 or over. By reason of increased prices for liquor and the taking over of the distribution of beer, the Liquor Board was expected to produce $300,000 additional revenue. The Government proposed to repeal the Supplementary Revenue tax of 2 mills on rateable land which produced approximately $900,000 and substitute a Social Service tax of 3 mills to produce an estimated $1,223,000. From this increase in revenue the Government proposed to reduce from 50 per cent. to 25 per cent. the municipalities' share of the cost of Mothers' Allowances, which would add $125,000 to the Government's contribution. The Government also proposed to abolish charges for the care of tubercular patients in the Provincial Sanatorium amounting to about $96,000 and to spend $100,000 for increased accommodation at the Sanatorium. The Budget Speech announced a new 2 per cent. Sales tax to be paid by ultimate purchasers, to produce an estimated $2,000,000 after certain commodities had been exempted from the tax. The Income tax rates were to be changed, the rate on the first thousand dollars of taxable income to be 2 per cent. in place of the previous rate of one per cent., with an increase of one per cent. on each additional thousand dollars up to ten thousand. The rate on corporations was to be increased from 4 to 5 per cent. and the rates on single persons with incomes of $1,200 or over were to be increased one per cent. over the rates on married persons. These Income tax changes were expected to raise the Revenue from this source from $650,000 to $1,200,000. The application of the Fuel Oil tax was to be extended to produce an additional $200,000. Receipts for the year would be depressed to the extent of $575,000 through the changing of the automobile licence year from the calendar year to the fiscal year. The Wild Lands tax was to be abolished. The Minister stated that, while imposing additional taxes to take care of the transfer of unemployment relief from Capital Account to Revenue Account, it was still necessary to budget for an increase in the Debt of $2,549,144 after providing nearly $1,000,000 for Sinking Funds. As the carrying charges on the Debt amounted to nearly 50 per cent. of the Revenue the Government would be compelled to call upon bondholders to accept lower rates of interest.

The Minister stated that under the Co-operative Marketing Associations Guarantee Act the liability of the Government had been reduced by payments during the year to $227,104. Loans to members of the Alberta Co-operative Credit Societies, included in the Alberta Rural Credit Corporation, amounted during the year ended Dec. 31, 1935, to $76,472 and collections, to $120,045. The total loans to these Societies under the guarantee unpaid as at Dec. 31, 1935, amounted to $1,574,625. The policy of restricting loans would be continued. Loans of $49,445 to Sugar Beet Societies were paid in full. On Sept. 1, 1935, the Alberta Wheat Pool had paid the Government $453,450 in principal and interest, leaving the amount owing the Province, $5,024,179.

A no-confidence Amendment to the Budget Motion was moved by G. H. Van Allen (Lib., Edmonton), based on the pre-Election proposal of basic dividends and on the increases in cost of Services and in taxation. Mr. Van Allen charged that the Budget was the antithesis of Social Credit, and a bondholders', rich man's and sound money Budget. He suggested that the employment of Mr. Magor as adviser to the Government indicated that the Province was in receivership. He envisioned the possibility of Mr. Magor recommending the substitution of a Commission for the Legislature. He called upon the Government to apply a remedy for the depression if they had one. He charged that business in Alberta was para-

lyzed through fear of Social Credit. It was the duty of the Government to introduce Social Credit and prove its efficiency or resign. In the Debate that followed, the Conservative Leader (Mr. Duggan) predicted a tax strike unless Government expenditures were curtailed and he offered to resign his seat if a saving of $1,000,000 could not be effected. The Hon. W. A. Fallow, Minister of Public Works, refuted the claim that capital was being kept out of the Province. He stated that since the formation of the Government he had been offered large sums for investment in the Province and that investors were quite satisfied that the Government were determined to give the Province efficient administration in the interests of the people. The no-confidence Amendment was defeated, receiving only the votes of Opposition Members, and the Budget Motion was passed.

Legislation; Prorogation, Apr. 7, 1936

The First Session of the Eighth Legislature came to a close on Apr. 7. Included in the large volume of legislation were preliminary measures looking to the establishment of Social Credit, chief of which was the Social Credit Measures Act which authorized the Government (1) to appoint persons to conduct investigations and formulate proposals for increasing purchasing power by means of social dividends and for establishing a just price and (2) to investigate the circumstances and conditions of businesses and industries. The Act set forth that the electors of the Province were favourable to the adoption of legislation based on Social Credit principles with the general object of bringing about the equation of consumption to production. Before the Public Accounts Committee Mr. R. J. Magor revealed that he had advised the Government that the best way of securing refunding of the Provincial Debt was through co-operation with the Dominion Government.

A Bill was passed providing for recall of Members by their electors on petitions signed by 66 2-3 per cent. of the electors.

Various other measures were designed to initiate the Government's proposed programme of economic and social reform. The Provincial Loans Refunding Act was intended to implement the position taken by the Government that the Province must secure relief from the burden of interest on the Public Debt; it authorized the Government to convert all or any part of the outstanding securities of the Province into perpetual stock at such rate of interest as they might prescribe.

The Licensing of Trades and Businesses Act provided for the licensing of all persons engaged in trades and businesses except those governed by legislation already in operation. Previous legislation was enlarged to extend the application of the business and trades codes system. The Tradesmen's Qualification Act provided for proficiency certificates for persons engaged in mechanical and other trades. The Department of Trade and Industry Act was amended to authorize the extension of its provisions to producers, manufacturers and wholesale dealers. The Fuel Oil Licensing Act was a far-reaching measure for control of the fuel oil business under a licensing system; it provided for the regulation of the wholesale and retail trade in fuel oil and those engaged in it, for the fixing of maximum and minimum prices, and it authorized the Government to engage in the business. The Provincial Industries Development Act provided for the guarantee by the Province of the securities of companies incorporated for the purpose of developing any natural resource of the Province or

manufacturing any product of the Province, the total of all guarantees at any one time not to exceed $250,000.

Other Bills enacted provided for larger school units; compulsory membership of teachers in the Alberta Teachers' Association; extension of the rights of creditors under debt adjustments; the bringing of the insurance laws of the Province into conformity with the laws of other Provinces; control of the marketing of live stock and live stock products; the operation by the Province of a central tuberculosis sanatorium; and the creation of a Minimum Wage Board having jurisdiction over all occupations except farming, labouring and domestic service. An Act was passed providing for a revision of the Statutes of the Province.

The Second Session of the Eighth Legislature

The Special Session of Aug. 25 to Sept. 1, 1936, was opened by the Lieutenant-Governor, the Hon. William Legh Walsh. The Speech from the Throne stated that the Government had decided to call a Special Session to deal with the distressing conditions arising from the calamitous drought which had occurred during the Summer; and to take further action with regard to the introduction of Social Credit principles, debt adjustment and reduction of interest.

After the opening Dr. Walter Morrish, Liberal Member elected in an Edmonton By-Election on June 22, 1936, to fill the vacancy created by the appointment of Mr. Howson to the Bench, was introduced and took his seat on the Liberal benches. The seat of Mr. S. A. G. Barnes, Social Credit Member for Edmonton, who had been excluded from the Social Credit Party caucus for failure to co-operate with the Government, was moved to a position between the Government and the Opposition benches.

In moving and seconding the Address-in-Reply to the Speech from the Throne, Mr. F. Anderson (S.C., Calgary) and Mr. N. B. James (S.C., Acadia) pleaded for the abandonment of Party politics during the Special Session so that the plans of the Government for meeting the distressing economic situation might be speedily carried through. Mr. J. J. Bowlen (Liberal House Leader) continuing the Debate, charged that $4,000,000 of capital had been driven from the Province since the Social Credit Government took office. He alleged that the Government resorted to intimidation, patronage and espionage and that business people who refused to sign Social Credit covenants were in fear of discrimination. Companies, he said, which had been carrying on business for years, were not renewing warehouse space. In participating in the Debate, Mr. Barnes (who had been excluded from the Social Credit caucus) criticized what he termed "Government by caucus" and condemned certain actions of the Prime Minister. Mr. Duggan (Conservative Leader) regretted that the Government had not taken advantage of the opportunity to get the Dominion Government behind the credit of the Province and had let objections to the proposed loan council stand in the way. He said that confidence had been destroyed and that no money was available for the Province. He declared that by Prosperity Certificates and arbitrary repudiation of responsibilities the Government were trying to put a fence around Alberta. With the re-establishment of confidence, money would be available for the requirements of the Province. Mr. Aberhart (Prime Minister) spoke briefly in the Debate, mainly to answer a statement from

the Opposition that he had promised a monthly basic dividend of $25 to every adult citizen of the Province. The Prime Minister pointed out that he had stipulated that the dividend would not be paid to persons who did not agree with the Social Credit idea. He recalled that he had stated that it would require eighteen months to establish Social Credit. He objected to misrepresentation from the critics of the Government. Ultimately, the Motion for the Address-in-Reply to the Speech from the Throne was passed without a division.

Legislation passed at the special Session, which lasted only until Sept. 1, included the following: (1) The Alberta Credit House Act, the principal Social Credit measure, which provided for the creation of State Credit Houses to distribute Alberta credit in the form of basic dividends, production loans or compensating discounts, Alberta credit being defined as the facilities provided by the Credit House for the exchange of goods and services within the Province. This measure provided for a levy on commodities or services representing unearned increment in the price of such commodities or services for the purpose of preventing redundant credit and preserving the proper equation between consumption and production. The Credit House was empowered to take currency and give Alberta credit in return, to lend Alberta credit for various industrial, business and domestic purposes without interest but with a service charge of two per cent. *per annum*. Orders-in-Council passed under the Social Credit Measures Act of the regular Session were validated by this measure, including those providing for registration of persons entitled to Social Credit benefits, and it was provided that no court action against those provisions should be sustained. (2) An Act validated the Order-in-Council which had been passed following the regular 1936 Session of the Legislature, reducing the interest to be paid on Alberta securities. (3) An Act validated the Order-in-Council providing for the use of Prosperity Certificates. (4) Amendments to the Trade and Industry Act provided for the appointment of a Price Spreads Board with power to fix maximum and minimum prices for commodities and services either at wholesale or retail. (5) A Debt Adjustment Act provided that the amount of debts contracted prior to July 1, 1932, should be reduced by the amount of payments made on principal or interest after that date and the balance payable in instalments over 10 years; and that interest on debt contracted after that date should be limited to 5 per cent.; and a further measure extended to July 1, 1936, the statutory provision requiring a permit from the Debt Adjustment Board for action for debt execution or foreclosure and also enlarged exemptions from debt collection action. (6) A measure limited to 3 per cent. the interest payable on the debts of municipalities, effective from Sept. 1, 1936. (7) A measure fixed maximum working hours for wage-earners. (8) An Act validated an agreement between the Province and the City of Edmonton for the payment of unemployment relief grants in Prosperity Certificates. (9) An Act abolished the right of appeal from a decision of the Debt Adjustment Board.

At the time the debt adjustment legislation was before the House representatives of financial companies appeared before a Committee to protest against its terms. Outside the Legislature, the Prime Minister stated that the legislation would not be proclaimed unless it were necessary, the financial companies being given an opportunity to take steps which would take into account the conditions in the Province. It was announced in the Legislature that funds were available for the redemption of Prosperity Certificates.

Agriculture: Reports for 1934—1936

Agricultural conditions in Alberta improved considerably in 1934 as compared with 1933, the value of all production increasing by about $38,000,000. In the case of grain crops, yields and prices were better. A recession occurred in 1935, however, when adverse weather conditions lowered the yield and the quality of grain crops, reducing the value from the previous year by about $10,000,000 notwithstanding improved prices for wheat. The crop season in 1936 was extraordinarily dry in the South and East central Districts, where the total yield was exceptionally light. In the mid-central areas and North to Athabasca, sufficient precipitation occurred to produce a fair crop. Excellent conditions prevailed in the Peace River and Grande Prairie Districts, where a splendid crop was harvested. Rather heavy damage was sustained in restricted areas throughout the Province, but in contrast to 1935 there was very little frost to injure the maturing grain. Grasshoppers did some damage in Southern Districts. The net result was a considerable reduction in the total crop production. The area, yield and value of field crops in 1935 and 1936, according to the Monthly Bulletin of Agricultural Statistics, January, 1938, were as follows:

Crop	Year	Area Acres	Yield Per Acre Bush.	Total Yield Bush.	Average Price Per Bush.	Total Value
Spring Wheat	1935	7,500,000	13.2	98,648,000	$0.61	$60,175,000
	1936	7,537,200	8.8	66,000,000	.92	60,720,000
Oats	1935	3,102,000	26.5	82,203,000	.16	13,152,000
	1936	2,536,700	19.7	50,000,000	.35	17,500,000
Barley	1935	920,000	17.8	16,376,000	.23	3,766,000
	1936	999,000	17.0	17,000,000	.64	10,880,000
Fall Rye	1935	125,800	10.0	1,258,000	.25	315,000
	1936	76,900	4.9	374,000	.74	277,000
Spring Rye	1935	42,300	8.0	338,000	.25	84,000
	1936	60,500	6.4	388,000	.74	287,000
All Rye	1935	168,100	9.5	1,596,000	.25	399,000
	1936	137,400	5.5	762,000	.74	564,000
Peas	1935	700	17.3	12,000	1.00	12,000
	1936	700	21.4	15,000	1.50	23,000
Beans	1935	850	16.5	14,000	1.30	18,000
	1936	850	10.6	9,000	1.50	14,000
Mixed Grains	1935	20,000	19.0	380,000	.22	84,000
	1936	21,800	18.5	403,000	.39	157,000
Flaxseed	1935	19,400	8.0	155,000	1.17	181,000
	1936	13,400	5.6	75,000	1.39	104,000
			Cwt.	Cwt.	Per Cwt.	
Potatoes	1935	29,900	64.0	1,906,000	.68	1,296,000
	1936	29,600	61.0	1,816,000	.95	1,725,000
Turnips, etc.	1935	1,800	104.0	187,000	.58	108,000
	1936	2,600	51.0	133,000	.70	93,000
			Tons	Tons	Per Ton	
Hay and Clover	1935	295,000	1.58	465,000	6.34	2,948,000
	1936	367,500	1.15	424,000	7.84	3,324,000
Alfalfa	1935	73,400	2.30	169,000	8.81	1,489,000
	1936	76,500	2.17	166,000	10.20	1,693,000
Fodder Corn	1935	6,200	4.50	28,000	5.70	160,000
	1936	1,900	5.26	10,000	7.00	70,000
Grain Hay	1935	1,300,000	1.40	1,820,000	5.00	9,100,000
	1936	1,000,000	.90	900,000	6.00	5,400,000
Sugar Beets	1935	14,100	9.84	138,800	5.76	799,000
	1936	18,000	11.33	204,000	6.55	1,336,000

Cattle exports in 1936 numbered 316,863 as compared to 214,821 in 1935 and 158,662 in 1934. The total production of dairy products in 1936 was valued at $15,505,800; in 1935, $14,252,500; and in 1934, $14,391,204. Creamery butter manufactured in the 96 creameries in operation in 1936 totalled 25,491,105 lb., an increase of 2,396,398 lb. over 1935 when there were 97 creameries in operation. In 1934 there were 96 creameries and the total production was 25,601,447 lb. The production of cheese in the 12

factories in 1936 was 1,451,735 lb. The 11 factories in operation in 1935 and 1934 produced 1,364,526 lb. and 1,370,425, respectively.

The United Farmers of Alberta

At the Annual Convention of the United Farmers of Alberta at Calgary, Jan. 15-18, 1935, a proposal for the inclusion of a Social Credit plank in the organization's election platform was rejected after strenuous debate. Recognition of public interest in Social Credit was given, however, in the adoption of a Resolution asking the Provincial Government to engage Major C. H. Douglas as economic adviser with a view to the establishment of Social Credit on a Federal scale. The Convention approved proposals for financial reform through the issue and control by the Government of Canada of all instruments used in the monetary system without regard to gold, the use of these instruments for the benefit of the people without the creation of interest-bearing debt, and their use in volume sufficient to maintain a satisfactory price level for goods and services. Another Resolution adopted urged the Alberta Government to relieve the economic condition of the people by mobilizing the unemployed for the development of industries, bringing agriculture, industry and business into line with the needs of the community, horizontally reducing private debts, issuing tax warrants or other instruments to expedite the exchange of goods. Mr. Robert Gardiner, M.P., was re-elected President and Mr. Norman F. Priestly, Vice-President for the fifth consecutive year.

The 1936 Annual Convention was held at Edmonton, Jan. 21-24. Mr. Gardiner in his Presidential address pointed to a decline of 4,433 in membership during 1935. He praised the late U.F.A. Government for their record of 14 years of honest and efficient administration. As the organization had elected no Members to either the Legislature or the House of Commons in the recent General Election the question arose as to whether the U.F.A. should withdraw from political activity, and Mr. Gardiner advised that the decision should be left over for a year. The Prime Minister (Mr. Aberhart) welcomed the Convention to the Provincial Capital and asked the co-operation of the organization in the efforts of the Government. A Report of the Directors, which was adopted, declared that the organization would not put any obstacles in the way of the Government as long as they pursued their object, the abolition of poverty. The Convention debated the question as to whether the organization should withdraw from politics and decided on co-operation with the C.C.F. in political activity. It adopted Resolutions re-affirming its position in favour of the public ownership of the means of production, distribution and exchange. Messrs. Gardiner and Priestly were again elected President and Vice-President, respectively.

The Alberta Co-operative Council

At a conference of delegates representing agricultural interests at Red Deer, Alberta, Mar. 20-21, a new agricultural organization was established to be known as the Alberta Co-operative Council. The promoters of the organization hoped to build it into something in the nature of a Canadian Chamber of Agriculture, serving agricultural interests much as the Canadian Chamber of Commerce served business interests.

The Alberta Wheat Pool

The Annual Report of this organization for the crop year 1934-35 showed that 23 of its elevators remained closed over the entire season and 13 over part of the season owing to light crop conditions. Total receipts of all grains through the elevators and over the platform

amounted to 30,890,721 bushels as compared with 27,090,444 the previous year. Net operating earnings showed a reduction of $130,000 from the previous year, amounting to $746,084, from which depreciation of $527,801 was allowed and one year's interest of $266,071 paid to the Province on the 1929 Pool overpayment, leaving a net deficit for the season of $47,788 which was charged against accumulated reserves.

The report for the crop year 1935-36 showed that 14 of the Pool's elevators were closed for the entire season and 24 for part of the season owing to light crop conditions in some districts. Total grain receipts amounted to 27,109,040 bushels. Net operating earnings of the elevator system amounted to $1,092,272, from which depreciation of $526,055 was provided and the annual interest payment to the Province on the 1929 Pool overpayment of $256,703, leaving a net surplus of $309,513 which was added to reserves.

Education: Reports for 1934—1936

The Annual Reports of the Department of Education showed enrolments of pupils in the schools of the Province to be 172,040 for the year 1933-34, 167,954 for 1934-35 and 167,193 for 1935-36. In April, 1934, a Committee of the Legislature was appointed to survey rural education and make recommendations for improvement. In its Report, presented a year later, the Committee's principal recommendations favoured larger school units to promote efficiency and economy in administration. It advocated secondary schools for rural districts, investigation of the feasibility of radio as an aid to teaching, and increased library facilities. At the 1936 Session of the Legislature a measure amending the School Act of 1931 was passed providing for larger administration districts and dividing the schools into elementary, intermediate and high school grades in place of public and high school grades. The larger districts plan had been opposed earlier in the year by the Alberta School Trustees' Association.

The University of Alberta reported a total registration of students for the year 1934-35 of 1,884 and for the year 1935-36 of 2,043. At the 1935 Convocation 291 degrees and 59 diplomas were granted and at the Convocation of 1936, 349 degrees and 69 diplomas. During 1936 Dr. R. C. Wallace, President of the University, resigned to become Principal of Queen's University, and in October Dr. W. A. R. Kerr, Dean of the Faculty of Arts and Sciences, was appointed to succeed him. In 1934-35 the University conferred Honorary degrees on Dr. H. J. Cody, President of the University of Toronto, the Hon. Irene Parlby, Minister without Portfolio in the Alberta Government, and Chief Justice W. C. Simmons of Alberta. Early in 1935 the Board of Governors of the University of Alberta adopted a ruling recommended by President Wallace to the effect that full-time members of the staff should not participate in Provincial politics but that they should be unrestricted as to Dominion politics but that they should not offer themselves for seats in Parliament. The action followed public discussion regarding the political activities of a member of the staff. In April the Board of Governors suspended the order for the balance of the year on the ground that criticism of it created an unsatisfactory situation and because it was represented that it prejudiced one political organization which was being supported by a member of the staff in connection with the impending Provincial Election. Settlement out of court was effected early in 1935 of the case in which the University was sued for $200,000 as a result of injuries sustained by a student at initiation proceedings. The action was brought by C. H. A. Powlett,

Calgary barrister, and his son, Armand Powlett. Settlement was for $20,000 and costs of $8,228. The total cost to the Province and the University, according to information submitted in the Legislature, was $50,051, legal fees amounting to $12,896 and other expenses, to $8,925.

The Annual Reports of the Research Council of Alberta showed that an extensive amount of research work was done, particularly in connection with the natural resources of the Province, during the years 1934, 1935 and 1936.

Lands and Mines: Reports for 1934 to 1936

The Annual Reports of the Department of Lands and Mines for the fiscal years 1933-34, 1934-35 and 1935-36 showed a steady decrease in the number of homestead entries, the totals (including soldier grants) for the three years respectively being 3,706, 2,780 and 1,528. The decrease was attributed to the restriction from settlement of certain areas.

Oil production in the three fiscal years respectively was, in barrels, 1,141,473, 1,246,958 and 1,249,596. Gas consumption in cubic feet was 16,346,376,000, 16,600,059,000 and 18,674,944,000. Coal production is given by calendar years as follows: 1933—4,714,784 tons; 1934—4,748,848 tons; and 1935—5,462,973 tons.

The Forestry Branch of the Department reported that during the year 1935-36 the timber industry showed a slight improvement over the preceding year both as to production and markets. The feature which was lacking in order to properly re-establish operations was the resumption of building construction. The Department had been cognizant of the difficulties of the previous years and had endeavoured to meet the situation so as to help the industry, the farmer and the settler. In doing so, every effort had been made to so manage the Province's forest estate that future general development would not be handicapped by unwise provisions to meet existing conditions. Again in 1935-36 an increase in field work was recorded, particularly with regard to inspection work. The timber inspectors were relieved of land sub-agency duties late in the year, permitting them to give their complete attention to forestry work. In the previous years the increase of inspection work had been enormous and had placed a heavy burden on the responsible officials. It had only been possible to meet the situation by an exceptional degree of activity on the part of inspectors and by using qualified rangers to assist on inspection work as the fire Season permitted. Fires dealt with in 1935 numbered 97, burning 6,320 acres at an estimated loss of $5,768. Corresponding figures for 1934 and 1933, respectively, were 240 and 288; 58,870 and 93,765; and $126,022 and $195,805.

The market value of fish taken commercially during the fiscal years 1933-34, 1934-35 and 1935-36 was as follows: $200,755, $244,070 and $287,726.

Coal produced in the calendar year 1935 totalled 5,462,973 tons and was valued at $13,946,338. Production in 1934 was 4,748,848 tons and valuation, $12,440,616. Corresponding figures for 1933 were 4,714,784 tons and $12,197,339. During the years 1935, 1934 and 1933, respectively, the total amount of coal sold for consumption in Alberta was 1,246,959 tons, 1,087,898 tons and 1,123,357 tons; tons sold to other Provinces: 1,843,046, 1,561,387 and 1,662,971; tons sold to the United States: 24,712, 13,739 and 18,449; and tons sold to railway companies: 1,960,555, 1,687,850 and 1,500,061. Electrical power used by Alberta coal mines during 1935 was 23,111,373 k.w.h. as compared with 19,447,621 k.w.h. used in 1934 and 17,611,959 k.w.h. in 1933.

On Dec. 9, 1935, 16 miners were killed in an explosion of a coal mine of the Lethbridge Collieries, Limited, at Coalhurst, Alberta. A Royal Commission consisting of the Hon. H. W. Lunney of the Supreme Court of Alberta investigated the explosion and found it was caused by gas from the old workings of the mine.

In 1935 the U.F.A. Government engaged the Rt. Hon. Sir Montague Barlow, BT., P.C., K.B.E., of London, England, to act as a Royal Commission to inquire into the coal industry of the Province. The Commissioner's Report, dated December, 1935, found that two principal problems attached to the industry, namely, the finding of adequate markets, and the regulation of the industry to overcome conditions arising from excessive competition, price cutting and unfair practices. The Report dealt with these and with the welfare and social conditions of labour; and with other matters. The Commissioner in his recommendations dealt particularly with the development of the Ontario market. He recommended that efforts should be made to have the railways continue for five years the arrangement under which Alberta coal was shipped to the East with a further concession of 50 cents a ton off the agreed transportation charge of $8 a ton to Ontario, and that the Dominion Government should be asked to continue for a like period the subvention on the coal movement and increase it from $2.50 to $3. He further recommended improved standards and grading for the Ontario market; that the Provincial Government should contribute a sum up to $10,000 a year for five years for publicity about Alberta coal in Ontario; that for the control of development the Government should discontinue granting new leases for five years and by remitting rentals and taxes and by other means discourage additional development under leases already granted; that the powers reposing in the Minister of Trade and Industry should, in respect of the coal industry, be transferred to the Minister of Lands and Mines; that the latter should take steps to secure the co-operation of the operators, miners and distributors for the formulation of a code of methods and practices with the object of eliminating practices detrimental to the industry and to the public; that steps for regulating output on a quota basis should be put into effect; that a central selling agency should be established; that consideration should be given to schemes for rationalization or amalgamation of mines and for the establishment of pithead prices, minimum wages for those engaged in small mines and for the creation of a welfare fund for the benefit of miners and the advantage of the industry. He suggested the transfer of rescue work from the Workmen's Compensation Board to the Mines Branch and the provision of permanent rescue stations.

Cash receipts of the Department from Branches in 1935-36 amounted to $1,310,890; in 1934-35, $1,337,394; and in 1933-34, $1,068,650.

Public Works and other Services during 1934—1936

Annual Reports of the Department of Public Works for the fiscal years 1934-35 and 1935-36 showed the following highway construction: contracts were let and carried to completion for 143.96 miles of first course gravel surfacing; and 285.80 miles of second course gravel surfacing on main highways and 141.58 miles of second course surfacing on secondary highways, while contracts were let but not completed for 182.71 miles of standard grade on main highways and 29.60 miles on secondary highways in the former year. In that year 23 steel

bridges and 162 timber bridges were constructed. In the latter year contracts were let for 228 miles of standard grade and 7 steel and 200 timber bridges were constructed.

The Reports of the Wardens of the Provincial Gaols for 1935-36 showed that these institutions had been administered in an efficient and satisfactory manner. There was a decrease of 32.92 in the daily average population, and a decrease of 59 in the number of prisoners admitted, from that of the previous year.

Annual Reports of the Department of Public Health gave vital statistics for the years 1933, 1934, 1935 and 1936, respectively, as follows: birth rate per 1,000 of population—21.33, 21.10, 21.00 and 20.40; marriage rate—7.10, 7.86, 7.80 and 7.80; death rate—7.06, 6.93, 7.40 and 8.00. While the birth rate was declining, it remained slightly higher than that for Canada as a whole. Pulmonary tuberculosis, which had constituted a serious problem in public health, was steadily decreasing, the death rate from this cause being 38 per 100,000 in 1936. The infantile mortality rate remained fairly stationary, the year 1936 having a rate of 60 which compared with an average rate of 60.1 for the five years 1931-35. During 1936 there were 77 operations performed for sterilization, making the total number of operations, 475 under the Act of 1928.

Annual Reports of the Commissioner of Labour for the years 1934-35 and 1935-36 showed the following: In 1934-35, 2,391 firms reported employment of 36,968 males over eighteen, 335 males under eighteen, 6,771 females over eighteen, 86 females under eighteen, 518 apprentices; in 1935-36, 2,773 firms reported employment of 42,284 males over eighteen, 302 males under eighteen, 7,617 females over eighteen, 99 females under eighteen, and 563 apprentices. Payments of wages and salaries amounted to $53,863,690 of which $46,464,550 was in wages in the former year, the corresponding figures for the latter year being $58,836,019 and $50,813,529. The Bureau of Labour was discontinued in September, 1936, its functions having been distributed amongst other branches of the Service.

Annual Reports of the Workmen's Compensation Board recorded accidents for the calendar years 1934, 1935 and 1936 respectively as follows: total accidents, 9,608, 11,058 and 12,381; fatal 35, 59 and 39; permanent disability 77, 72 and 91. The following payments for the three years, respectively, were recorded: compensation for temporary disability, $312,092, $353,292 and $436,498; payments from pension fund to workmen permanently disabled or the dependants of those fatally injured, $325,733, $413,334 and $456,386; and payments from the medical aid fund, $186,751, $205,891 and $262,801.

At Dec. 31, 1934, 6,879 persons were on the Alberta Old Age pensions payroll and Alberta was contributing to 1,403 pensioners resident in other Provinces. The cost for the year for pensions to persons resident in the Province was $1,383,929.50 and for persons resident in other Provinces, $32,-112.83. The corresponding figures for 1935 were: pensioners resident in the Province, 7,822, resident in other Provinces, 1,655, payments to resident pensioners, $1,580,660.88; and to non-resident pensioners, $39,-556.07. For 1936 the figures were: resident pensioners, 8,998; non-resident, 1,782; payments to resident pensioners, $1,809,083.21; and to non-resident pensioners, $43,439.11.

The Annual Reports of the Superintendent of Insurance and Fire Commissioner gave the following figures:

	1934	1935	1936
Companies licensed as at Dec. 31	290	283	285
Premiums written (exclusive of life insurance)	$4,879,605	$4,848,225	$4,839,205
Losses incurred	1,915,480	1,985,174	1,918,602
Life insurance premiums	11,102,559	10,230,728	9,800,112
Life insurance disbursements	9,461,157	9,057,913	8,630,287
Life insurance written	38,761,827	33,005,053	36,202,075
Number of fires	1,769	1,737	1,576
Loss from fires	$1,177,370	$1,168,245	$1,153,833

In 1935 the hail insurance taken out under the Hail Insurance Board increased 10 per cent. from the previous year but there was a decrease of 12 per cent. in 1936. Losses were paid in full in each of the two years, on a *pro rata* premium of 10 per cent.

Motor vehicle licences were issued during 1934, 1935 and 1936 in the following numbers for the three years respectively: passenger cars, 73,114, 76,562, and 79,185; trucks, 15,383, 16,353, and 17,310.

The Alberta Liquor Control Board's Annual Reports showed gross sales for the fiscal years 1934-35 and 1935-36, respectively, as $3,244,144 and $3,726,055; net income, $1,480,364 and $1,802,206. Distribution of beer was taken over by the Board on Apr. 1, 1936.

The Annual Reports of the Department of Municipal Affairs for the calendar years 1934, 1935 and 1936 recorded tax collections for the three years as follows:

	1934	1935	1936
Cities	$8,671,511	$8,718,161	$8,737,694
Towns	827,469	815,233	854,654
Villages	273,419	261,142	274,235
Municipal Districts	2,866,518	2,613,141	2,657,717

The Union of Alberta Municipalities met in Annual Convention in Calgary on June 27-28, 1935 and in Lethbridge on June 11-12, 1936. At both conventions resolutions were passed favouring taxation relief for property owners through higher income taxation and other levies. Mayor L. M. Colpitts of Sylvan Lake was elected President at the former convention and Councillor A. Smeaton of Lethbridge at the latter.

The Province of Alberta

(As at Dec. 31, 1936)

Lieutenant-Governor* ..... The Hon. Col. P. C. H. Primrose

The Aberhart Ministry† (Social Credit)

(As at Dec. 31, 1936)

Prime Minister, President of the Council and Minister of Education ..... The Hon. William Aberhart
Provincial Treasurer and Minister of Municipal Affairs ..... The Hon. Charles Cockroft
Attorney-General ..... The Hon. J. W. Hugill
Minister of Agriculture ..... The Hon. W. N. Chant
Minister of Public Works and Minister of Railways and Telephones ..... The Hon. W. A. Fallow
Minister of Health ..... The Hon. Wallace W. Cross, M.D.
Minister of Lands and Mines ..... The Hon. C. C. Ross
Provincial Secretary and Minister of Trade and Industry ..... The Hon. Ernest Charles Manning
Minister without Portfolio ..... The Hon. Lucien Maynard

Speaker of the Legislative Assembly ..... The Hon. N. E. Tanner

*NOTE.—Mr. Primrose was succeeded by Mr. John Campbell Bowen in 1937.

†NOTE.—For purposes of reference the Cabinet changes which occurred from 1936 to Dec. 31, 1938, are given herewith: Mr. Aberhart took over the duties also of Attorney-General; Mr. Solon E. Low became Provincial Treasurer; the Hon. Lucien Maynard was given the Portfolio of Municipal Affairs; the Hon. Nathan Eldon Tanner was appointed Minister of Lands and Mines; and Mr. David Bertrum Mullen became Minister of Agriculture.

Heads of the Administrative Services

(As at Dec. 31, 1936)

Deputy Provincial Treasurer	J. F. Percival
Deputy Attorney-General	George B. Henwood
Deputy Minister of Agriculture	H. A. Craig
Deputy Minister of Education	Dr. G. Fred McNally
Deputy Minister of Public Works	H. P. Keith
Deputy Minister of Health	Dr. M. R. Bow
Deputy Minister of Telephones	J. D. Baker
Deputy Minister of Municipal Affairs	A. R. Soutter
Deputy Minister of Lands and Mines	John Harvey
Deputy Provincial Secretary	E. Trowbridge
Deputy Minister of Trade and Industry	W. D. King
Provincial Auditor	C. M. Lang (Acting)
Clerk of the Executive Council and Clerk of the Legislative Assembly	R. A. Andison
Legislative Counsel and Law Clerk	R. A. Smith
Civil Service Commissioner	A. L. Sweeney
Provincial Librarian	A. R. McKee (Acting)
King's Printer	A. Shnitka
Director of Fisheries	R. T. Rodd
Director of Forestry	T. F. Blefgen
Director of Petroleum and Natural Gas	C. W. Dingman
Director of Water Resources	L. C. Charlesworth
Superintendent of Child Welfare	T. R. Blaine
Superintendent of Insurance	E. Trowbridge
Administrator of Estates of the Mentally Incompetent	H. J. Wilson
Chairman, Liquor Control Board	R. J. Dinning
Chairman, Board of Public Utility Commissioners	A. A. Carpenter
Chairman, Workmen's Compensation Board and Old Age Pensions Board	Dr. V. W. Wright
Chairman, Board of Industrial Relations	Clayton Adams
Superintendent of Income Tax	E. C. Shaughnessy (Acting)
Commissioner of Relief and Public Welfare	A. A. Mackenzie
Registrar of Vital Statistics	Donald Mackie

THE PROVINCE OF MANITOBA

Provincial Affairs of 1935—1936

Manitoba, in common with the other Prairie Provinces, experienced further partial crop failures in 1935 and 1936. These prolonged the economic hardship which large sections of the rural population had been sustaining for a number of years and depressed the revenues of governing bodies. Unemployment, which was thought to have reached its peak early in 1934, again increased and reached new high figures in 1936. Consequently, relief of agricultural distress and urban unemployment continued to be the chief concern of the Provincial Government and the municipal bodies; and finances provided their principal problems. Nevertheless, the Provincial Government showed substantial Budget Surpluses for the fiscal years 1934-35 and 1935-36 and they would have budgeted for a Surplus for the year 1936-37 but for making remissions in the Wage tax. The great majority of the municipalities also were meeting their obligations despite difficulties in collecting tax revenues. The financial credit of the Province was well sustained and, in delivering the Budget in 1936, the Provincial Treasurer, the Hon. E. A. McPherson, held that the sale of long-term debentures the previous year on a cost basis of 3.99 per cent. was a justification of the Government's efforts to maintain Manitoba's financial integrity. He expressed the view, however, that some method would have to be found whereby the Dominion in the future would pay a larger portion of the cost of relief.

An official statement gave the total cost of relief in Manitoba for the period Oct. 1, 1930, to Mar. 31, 1937, as $53,278,776. Of this, the Dominion contributed $19,602,698, the Province, $18,550,572, and the municipalities, $15,125,506. It was distributed as follows: relief works, $16,136,449, direct relief (from May 1, 1932), $32,758,454, rural rehabilitation, $682,335, and under the Single Men's Commission (from Nov. 1, 1932), $3,701,538. The average number of persons per month receiving relief, which rose from 27,439 in 1930-31 to 81,064 in 1933-34, fell to 78,636 for 1934-35 but rose again to 84,089 for 1935-36 and to 88,285 for 1936-37. Between Oct. 1, 1930, and Jan. 31, 1936, the Province had to lend $4,582,000 to municipalities to enable them to pay their share of relief.

It was the declared policy of the Liberal-Progressive Government during the two years to adhere to tried and established economic methods. No new taxes were introduced and existing levies were not increased. The Wage tax was the subject of much criticism during Sessions of the Legislature and during the 1936 Session exemptions under it were raised. The mining industry was giving increasing promise of contributing substantially to the economic betterment of the Province. Measures were taken by the Provincial Government to encourage the fur-raising industry and to assist in the establishment of a beet sugar industry as a means of providing farmers with a cash crop. The adherence of the Province to proposals considered at the Dominion-Provincial Conference at Ottawa towards the end of 1935 for readjustment of the economic relations and respective jurisdictions of the Dominion and the Provinces was stated by Members of the Administration from time to time.

Legislation proposed in behalf of the City of Winnipeg occupied much of the time of the Legislature both in 1935 and 1936. In 1935 the City

Council sought authority to increase drastically and otherwise alter its business taxation. The proposal provoked prolonged discussion in the Law Amendments Committee of the Legislature and in the House itself before being passed in a greatly modified form. In 1936 legislation was proposed to authorize the City of Winnipeg to engage in the gasoline business as a means of controlling prices in the interests of residents. This proposal was rejected by the Legislature.

Three By-Elections for the Legislature were held on July 4, 1935, with no change resulting in its political complexion. The Government's candidates won all three. In the Electoral Division of Carillon, Edmond Prefontaine was elected to the vacancy created by the death of his father, the Hon. Albert Prefontaine, Minister without Portfolio, defeating L. P. Gagnon, who also ran as a Liberal-Progressive. In the Electoral Division of Arthur, John Robertson Pitt, Liberal-Progressive, was elected by acclamation to fill the vacancy caused by the death of the Hon. D. L. McLeod, Municipal Commissioner. In the Electoral Division of Russell the Hon. Isaac Bertie Griffiths, M.L.A., was returned by acclamation after entering the Cabinet as Minister of Health and Public Welfare. In May, the Hon. E. A. McPherson, K.C., had been named Municipal Commissioner in succession to Mr. McLeod. Early in the year Mr. S. J. Farmer, M.L.A., succeeded John Queen, M.L.A., as Leader of the Independent Labour Party in the Legislature, Mr. Queen resigning owing to his heavy duties as Mayor of Winnipeg.

An interesting development of 1935 was the launching on May 28 of the Manitoba Adult Education Association under the sponsorship of the Hon. R. A. Hoey, Minister of Education; its object was to promote Province-wide educational activity among adults. Another development was a proposal by the Manitoba Associated Boards of Trade for the repeal of debt adjustment legislation, the Prime Minister, the Hon. John Bracken, declaring in November that such a proposal could not be entertained and that the legislation would be continued until conditions improved. The outstanding public work undertaken in the Province was a great sewage disposal project for Greater Winnipeg, the 1935 appropriation for which was $2,000,000, of which the Dominion Government contributed 40 per cent.

The so-called strike of unemployed men being cared for in Dominion relief camps produced concentrations of unemployed persons and demonstrations in Winnipeg in June and July, 1935. The trouble originated in British Columbia in the Spring of 1935 and was organized into an "On-to-Ottawa" movement which resulted in a serious riot in Regina on Dominion Day. About 400 men congregated in Winnipeg from the camps and other places. On June 30, after a parade through the streets, the men took possession of the City's dining hall for single unemployed men and threatened to hold it until their demands for central billeting and three meals a day in restaurants were granted. The move was declared to be preparatory to their march to Ottawa. After some hours the City authorities provided tents in the Exhibition Grounds and the Provincial authorities supplied meals. After some days the men left on their march to Ottawa but at Kenora on July 19, after the civic authorities there had warned that they would be treated as transients and given assistance for two days only and after the Ontario Government had offered to provide them with transportation back to Winnipeg, they decided to abandon the march and return to the Manitoba Capital, sending only a delegation of five of their number to Ottawa. Meantime, the Independent Labour Party of Manitoba announced at Winnipeg that it

had decided to withdraw its support from the Ottawa march movement, considering that it did not serve the best interests of the men. The Co-operative Commonwealth Youth Movement also withdrew its support for similar reasons. Returned to Winnipeg, the strikers were offered by the Manitoba Government transportation to their homes or the Dominion relief camps and were told they would get no other aid from the Province. After two days of fending for themselves they accepted the offer and by July 26 they were on their way to homes and camps. Before their departure their organization donated about $700, the amount remaining of funds raised by collections, to the defence of relief strikers arrested at Regina.

The Hon. D. G. McKenzie tendered his resignation as Minister of Agriculture in the Bracken Ministry in November, 1935, upon accepting the position of first Vice-President of the United Grain Growers, Limited, but he was prevailed upon to continue in the Government until the Spring of 1936. On Apr. 28, 1936, his resignation became effective and Mr. Bracken was sworn in as Minister of Agriculture.

The year 1936 witnessed much political activity. The Hon. John Bracken's Liberal-Progressive Government had been subjected to considerable criticism for leaving three vacancies in the Legislature during the whole of the Session of 1936. On June 9, at a Provincial Convention in Winnipeg, the Conservative Party chose a new Leader as an initial step in a determined effort against the 14-year-old Bracken Administration. Mr. W. Sanford Evans had been House Leader following the appointment of the former Leader, Mr. F. G. Taylor, to the Bench. Four were nominated for the leadership at the Convention: Mr. Evans, Lieut.-Col. Ralph H. Webb, M.L.A., former Mayor of Winnipeg, Mr. James L. Bowman, K.C., former Speaker of the House of Commons, and Mr. Errick F. Willis, lawyer and farmer, who had represented Souris in the House of Commons from 1930 to 1935 and been defeated for re-election in the latter year by three votes. The first three declined the nomination and Mr. Willis was chosen by acclamation. In becoming Conservative Leader, Mr. Willis, who was 40 years of age, was following in the footsteps of his father, Mr. R. G. Willis (deceased) who had been a Member of the Legislature from 1922 to 1929 and for two years Leader of the Party. In accepting the leadership Mr. Willis devoted himself particularly to the interests of Manitoba farmers.

The General Election of 1936

Early in June there were rumors that the Government were considering a General Election and on June 12 the Legislature was dissolved and writs were issued for a General Election on July 27 with nominations on July 17. The Government had been in Office from 1922, first as a straight Progressive Administration and for the last four years as a Liberal-Progressive Administration. At Dissolution the 55 seats in the Legislature were distributed as follows: Government, 34; Conservatives, 9; Liberal, 3; Labour, 5; Farmer-Labour, 1; and vacant, 3. Spokesmen for opposition Parties criticized the Government for suddenly "springing" an Election.

The Election campaign was opened on June 23 when at Brandon Mr. Willis made public the new platform as formulated at a Convention of the Conservative Party. Its principal planks were: reduction in the cost of government by $1,000,000; reduction in the interest charges on Provincial borrowings by $1,000,000 without any repudiation; abolition of the

2 per cent. Wage tax; reduction of licence fees for passenger automobiles to a flat rate of $5; overdue advances to farmers for seed and feed to be treated as uncollectible; debt adjustment to be continued; simplification of educational policy with reduction in the cost of school books; aid to fishing industry, including lower licence fees; exemption from the Gasoline tax of gasoline used in agricultural work and in transportation for the fishing and mining industries; municipalities to receive a share of the revenue from the Gasoline tax in order to effect a reduction in the taxation on land; abolition of Governmental advisory boards and committees; increased service to farmers from the Provincial Hydro-Electric system; measures against grain rust and for the improvement of live stock; reduction in the Membership of the Legislature from 55 to not more than 40.

On July 3 Mr. Bracken announced the Manifesto of his Party. It contained proposals for combining the Wage tax with Income tax as soon as financial conditions permitted; reduction in interest rates on private and public borrowings; writing off of loans to municipalities for relief; a plan for improving the financial position of the municipalities; aid to the mining industry through new transportation facilities and stabilized taxation at lowest possible rate; stimulation of forestry, fishing and fur industries; asking the Federal Government to assume the relief debt of the Province and municipalities for the previous 5½ years, to pay a larger share of relief costs and the whole cost of Old Age Pensions; relief, at lowest cost, for all willing to work, without the spending of money on non-essential public works; a middle course between the Conservative proposals for taxation reduction and the C.C.F. demand for greater expenditure on Public Services.

The C.C.F. (Co-operative Commonwealth Federation) Manifesto issued on June 28 called for: a Government-assisted co-operative to supply machinery, gasoline and oil at cost to farmers; a similar co-operative to enable unemployed to meet their requirements of food, clothing and housing; a full State medicine and health insurance system; refunding of the Provincial Debt; adjustment of farm debts on the basis of commodity prices; adequate living standard to be the first charge on farm income; and a $5 licence fee for automobiles costing under $1,000. The Communist Party entered the campaign calling for a five-year moratorium on Provincial, municipal and private indebtedness; abolition of the Wage tax; larger Old Age Pensions; abolition of relief camps; and work and union wages for single unemployed men. The Manitoba Social Credit League also entered the campaign with the advocacy of Social Credit for the Province. When nominations closed on July 17, 131 candidates had been nominated for 53 seats (elections in two northern constituencies were deferred). The Government had 48 candidates; the Conservatives, 38; the C.C.F., 19; the Social Credit Party, 20; and there were 6 independent candidates.

Soon after the returns began to come in following the polling on July 27 it became evident that the Bracken Government would not have a clear working majority. When the returns were completed on Aug. 3 the standing was: Liberal-Progressives, 22; Conservatives, 16; C.C.F., 6; Social Credit, 5; Independents, 3; Communists, 1; and deferred, 2. Features of the General Election, apart from the losses sustained by the Government and the gains made by the Conservatives, were the decreased support given Labour candidates in Winnipeg, the election of five Social Credit candidates, the election of a Communist, and the polling of a record

vote by L. St. G. Stubbs, a former county court judge running as an Independent candidate. With the returns complete, Mr. Bracken called a caucus of his followers which authorized him to make proposals to the other Parties and groups for a coalition or arrangement to provide the Province with stable Government. The first proposal was made to Mr. Willis, the Conservative Leader. It was that a Ministry be formed of the Liberal-Progressive and Conservative Parties, the Conservatives to have three or four Cabinet posts including one for Mr. Willis and the Liberal-Progressives an equal number in addition to one for Mr. Bracken; the coalition to last for at least four years, Mr. Bracken to be Prime Minister for the first two years and Mr. Willis for the second two years; that the two Parties unite in supporting the Liberal-Progressive candidate in The Pas (Mr. Bracken) and a Conservative candidate in Rupert's Land, the two deferred constituencies. At a Conservative caucus it was decided to decline the proposal on the ground that the time was inopportune for its consideration as it involved "interference in regard to candidates and the rights of the people" in the deferred constituencies. Following these negotiations, Mr. Willis issued a statement in which he said that the Conservative caucus had not refused to consider coalition on a fair basis but they had refused coalition under Mr. Bracken. Mr. Bracken issued a statement saying that, failing efforts at coalition, he would prefer another General Election to an attempt to carry on without a clear majority.

During the deferred Election campaign in The Pas, Mr. Bracken had a conference with Dr. Stanley J. Fox, one of the Social Credit Members-elect who had been chosen to lead the group. After the conference Dr. Fox announced that the group would support the Bracken Government in the Legislature in order that there might be stable government in Manitoba while the Social Credit Government in Alberta was demonstrating Social Credit policies. Mr. Bracken, in acknowledging this offer, said that the Government would face the Legislature, as they had been promised the support of one of the Independent Members. When other Members of the Social Credit group raised objections to the arrangement both Mr. Bracken and Dr. Fox denied that it was in the nature of a coalition. In the deferred Elections Mr. Bracken was returned in The Pas and Oddur Olafson, Independent, in Rupert's Land. Following the deferred Elections the Liberal-Progressives decided in caucus that the Bracken Government should carry on and meet the Legislature early in the new year. The assurance of support from the Social Credit group was reaffirmed.

On Sept. 21 Mr. Bracken announced the reorganization of his Cabinet, made necessary by retirements and Election defeats. Four new men entered the Ministry, all Members of the new Legislature. Mr. Stuart S. Garson, K.C., became Provincial Treasurer in succession to the Hon. E. A. McPherson, K.C., who did not seek re-election. Mr. Ivan Schultz was appointed Minister of Education in succession to the Hon. R. A. Hoey who was defeated. Mr. D. L. Campbell was appointed Minister of Agriculture in succession to the Hon. D. G. McKenzie, who had resigned before the Election. Mr. Sauveur Marcoux entered the Cabinet as Minister without Portfolio, representing the French-speaking section of the population. Mr. Bracken continued as President of the Executive Council and Provincial Secretary. The Hon. W. J. Major, K.C., in addition to continuing as Attorney-General and Minister of Telephones and Telegraphs, became Municipal Commissioner. No change was made in connection with the Portfolios of Public Works, held by the Hon. W. R. Clubb; Mines and Natural Resources, held by the Hon. J. S. McDiarmid; nor Health and Public Welfare, held by the Hon. I. B. Griffiths. Although counting on the

support of the Social Credit group, Mr. Bracken did not give it Cabinet representation. A day or two later Mr. Willis announced that the Conservative Party would not seek to force an early Election on the Province. Mr. Bracken, on Oct. 10, announced the appointment of the Hon. E. A. McPherson, former Provincial Treasurer, whose retirement from the Government had been widely regretted, as Supervisor of the City of Brandon, the Municipal Council having requested that the Government name an administrator or supervisor for the city's financial affairs.

Dr. Murdock MacKay resigned as Leader of the Liberal Party in Manitoba early in October. At a Convention of the Association at Portage la Prairie, later in the month, notification having been received from Mr. J. C. Davis, that he would not seek re-election, Mr. W. J. Lindal, K.C., was elected President. At a C.C.F. Convention at Portage la Prairie on Oct. 18 Mr. George R. Davidson, Chairman of the Greater Winnipeg I.L.P., was chosen Chairman of the Provincial Council. Later in the month the Manitoba Social Credit League, meeting in Winnipeg, re-elected Mr. G. E. Smith as President and endorsed the course of the elected Social Credit Members in supporting the Bracken Government.

Debt Relief and Other Incidents of 1936

Late in October, 1936, the Government, by Orders-in-Council, implemented recommendations made by the Drainage Commission in its Report to the Legislature during the 1936 Session, concerning the indebtedness of 27 Manitoba Drainage Districts. The Government limited their annual contribution to $30,000, the Maintenance Boards to have the allocating of the amount. The capital debt of Drainage Districts was adjusted so that the Province assumed $1,782,818 and the municipalities, $2,180,224; the municipalities were to issue debentures to the Province for their share at terms varying from three to 30 years at 4½ per cent. The Maintenance Board of each District was to be composed of one representative for each municipality of the District, with F. E. Umphrey (Chairman of the Maintenance Boards of all Districts), the Government representative and the chairman of each Board.

At Melita, Manitoba, on Oct. 30, 1936, the Prime Minister (Mr. Bracken) announced plans for debt relief and restoration of morale in the drought area in the south-western section of the Province. The plans called for the entire cancellation of the drought area relief debt of $1,200,000 and the Province was to assume one-third of the losses on seed grain for the current year. Mortgage loan companies were to reduce interest to six per cent. and cancel unpaid interest up to January, 1935. The amount owing on mortgages on Jan. 1, 1937, was to be consolidated with the principal and paid over a ten-year period. The Provincial Government would wipe out all arrears of interest on Provincial farm loans up to Jan. 1, 1936. Stating that the arrangement was similar to one adopted a little earlier for Saskatchewan, Mr. Bracken explained that during the first three years of the debt consolidation period the payment of principal and interest would be secured by one-third of the farmers' crop if such portion of it should be equal to the payment and if it should not be equal to it payment would be extended. The mortgage companies insisted that the arrangement be final and not subject to any future debt adjustment legislation. The proposal was immediately submitted to a meeting of the representatives of 13 municipalities in the drought area and was rejected. The meeting passed Resolutions to the effect that the proposition of the mortgage companies did not meet the situation and that

all interest to Jan. 1, 1936, should be wiped out and the rate limited to 5 per cent. from that date. Other Resolutions opposed cancellation of municipal tax arrears and thanked the Government for having done "everything that possibly could be done" for the people in the drought area. Mr. Bracken warned the meeting that the Government were not going in for debt cancellation and were wiping out the feed and seed loans simply because the people were unable to pay. Subsequent to the refusal of the municipal representatives to accept the proposals, the representatives of more than thirty loan companies announced that they would proceed with the plan for debt adjustment regardless of the refusal.

Cable dispatches from London on Dec. 17, 1936, announced that the Judicial Committee of the Privy Council had dismissed the appeal of a Manitoba Dominion Civil Servant against the paying of the Provincial two per cent. Wage tax. The appeal had been made on behalf of 2,000 Dominion Government employees in Manitoba. The Privy Council's decision meant that $200,000 of withheld taxes would have to be paid to the Province. Dealing with the appellants' contention that the Dominion Parliament by the Income Tax Act of 1917 had already occupied the field so as to preclude Manitoba from enacting such legislation, the judgment said: "Their Lordships say the doctrine of occupied field applies only where there is a clash between the Dominion and Provincial legislation within an area common to both. The Dominion reaps part of the field of Manitoba citizens' income, the Province reaps another part."

Controversy was aroused in the Province and in certain outside centres by an order of the Provincial Liquor Commission on Dec. 7, 1936. The Board, supported by the Government, raised outside beers five cents a bottle above the price charged for the local beverages in question. This discrimination aroused discontent in other trades in Manitoba, which desired similar protective action with regard to their products. Outside the Province requests that retaliatory measures should be put into effect were made by certain groups to other Provincial bodies. The Hon. W. J. Major, Attorney-General of Manitoba, was quoted in Winnipeg newspapers as stating that the Commission's order was being supported because it "aimed at more equitable treatment of local industries, local barley growers, local workers and local taxpaying institutions."

In a statement to the Press on Dec. 17, 1936, the Prime Minister discussed a recent meeting of the Dominion-Provincial Financial Committee held in Ottawa. He explained that the Manitoba delegation had proposed to the group that the Dominion and the Provinces should unite in a collective approach to secure adjustment of interest rates on Provincial and municipal bonds; and that the only support received had been from the Saskatchewan delegates. As an alternative, Manitoba had suggested that a Commission, similar to the Duncan Commission which had reported on the Maritime problems, should be appointed to deal with the special problems of the Prairie Provinces; but this proposal likewise had failed to receive support. Progress had been made on the question of lessening the overlapping of departmental responsibilities, and of increasing the efficiency of different administrative services, and a definite arrangement had been made on the gold clause relating to Dominion and Provincial bonds.

Reports of Investigations, 1935—36

A Special Committee appointed by the Minister of Agriculture, the Hon. D. G. McKenzie, to investigate agricultural methods in dried out areas made recommendations in a Report made public by the Minister

on Apr. 10, 1935. The Committee was composed of heads of agricultural groups, with Prof. T. H. Harrison, Assistant Commissioner, Board of Grain Commissioners, as Chairman. Recommendations of the Committee were based on an earlier investigation and Report by Prof. J. H. Ellis and Mr. W. H. Shafer of the Soils Division of the University of Manitoba. The Committee advised that farming should be planned on the basis of long-term averages; that settlers should control soil moisture and drifting; and that both forage and fodder crops should be increased. The Committee also recommended that farmers should grow and produce the requirements for their living, growing drought-resistant crops to ensure feed for live stock; should keep good breeding stock; should keep poultry for food requirements and for revenue; should take measures for the control of grasshoppers; should sow only the best fields to wheat because of the threat of grasshoppers and Russian thistles; and should take steps for the removal of the latter.

On Mar. 12, 1935, the Legislature instructed the Select Committee on Agriculture and Immigration to consider and report on the extension of mortgage credit schemes looking to debt settlement and the construction and improvement of homes and replacement of equipment; simplification of mortgage and other contracts, and other debt and debt adjustment matters. On Apr. 5 the Committee made a Report to the Legislature in which it recommended that a sub-committee be allowed to continue the investigation at the next Session. It recommended also the type of mortgage contract that should give greater protection and security of tenure to deserving home owners; that credits on the security of live stock and farm machinery should be avoided and discouraged; that a review of the debt adjustment laws of the three Western Provinces should be made by the Debt Adjustment Commissioner; and that consideration should be given to the preparation of a simplified lease for use in the Province. It also urged the extension of the operations of the Dominion Farm Loans Act.

The Hon. R. A. Hoey, Minister of Education, presented in the Legislature on Feb. 26, 1935, the report of a Special Select Committee of which he was Chairman, appointed on Apr. 6, 1934, to inquire into and report upon the administration and financing of the public educational system of the Province. The recommendations of the Committee included the following: that in view of the wide difference in teachers' salaries throughout the Province a salary adjustment board should be set up for each inspectorial district with power to set minimum salaries; that, in order to promote uniformity in the terms of engagement of teachers, an obligatory form of contract should be inserted in the Public Schools Act; that a supervisor of schools should be appointed by the Department of Education who would scrutinize the finances of the school districts and have control over the appointment or dismissal of teachers in school districts requiring financial aid. This Report produced much controversy in the Legislature. To Mr. Hoey's Motion for the adoption of the Report, Mr. Douglas Campbell (Government, Lakeside), moved an Amendment that it should be referred back with instructions that the Committee should bring in a definite recommendation with regard to larger units of school administration. The Amendment was voted down. On Apr. 5 Mr. Campbell moved another Amendment which proposed that financial matters of the school districts, including teachers' salaries, should be subject to the approval of a joint committee composed of representatives of Municipal Councils and Trustee Boards. This Amendment was defeated by a vote of 20 to 22, and the Report was adopted.

On Mar. 12, 1935, a Special Select Committee of the Legislature appointed on Mar. 21, 1934, to report on the whole question of properties exempt from taxation or under fixed assessment presented its Report. It recommended that about $55,000,000 of assessed valuations out of a total of $152,813,000 in exemptions should be brought under municipal taxation on the same basis as other properties; that the exempted property proposed to be taxed should include property of the Dominion and Provincial Governments and the railway companies. It was not proposed to remove the exemptions from church and charitable institutions or farm buildings. The Report recommended that properties vested in the Canadian Farm Loan Board, the Manitoba Farm Loan Association, the Manitoba Telephone Commission and the Manitoba Power Commission (except transmission lines), and the Liquor Commission, should be assessed for all rates levied by the municipalities, also all Crown lands sold or occupied after Jan. 1, 1936. It was proposed that the Dominion Parliament and the Provincial Legislature should be asked to enact legislation to make the recommendations effective. It was proposed that the Dominion Parliament should be asked to render the properties of the Canadian National Railways subject to such taxation and that exemptions granted the Canadian Pacific Railway under Provincial enactments and By-laws of the City of Winnipeg should be terminated.

On Mar. 29, 1935, the Legislature provided by Resolution for the creation of a Committee, representing the Legislature, employers and employees, to investigate certain phases of the Workmen's Compensation Act and its operation. The Committee appointed chose the Hon. W. J. Major, K.C., Attorney-General, as Chairman. In its Report, presented in the Legislature on Mar. 17, 1936, the Committee, it was stated, found that the administration of the Workmen's Compensation Act was highly satisfactory to employers and employees. It recommended that provision should be made in the Act for compensation for workmen contracting silicosis in the industries of the Province and for safeguards against this ailment. It recommended that the Board administering the Act should have power to exclude small industries from the operation of the Act. A Minority Report from Edward Armstrong, a member of the Committee representing workers, proposed the creation of a full-time board of three members, inclusion of dermatitis and cyanide poisoning among industrial diseases under the Act, and one hundred per cent. compensation for injured workers.

On Apr. 5, 1935, the Standing Committee on Law Amendments reported to the Legislature that it had investigated certain charges made against the Debt Adjustment Board. It had found that the Board was not guilty of the charges made. The Report was concurred in by the Legislature.

The Report of a Commission, appointed by Order-in-Council on Sept. 13, 1935, and of which Judge H. W. Whitla of the County Court was Chairman, to inquire into trade practices in connection with bread, was received by the Legislature on Feb. 24, 1936. It found that bread was being sold at a loss in Winnipeg in a manner to constitute an unfair and improper trade practice; that wages paid to certain bakery employees were unfair and detrimental to the public; and that wages paid in chain cash-and-carry stores were so low as to be unfair. It proposed that control of bakeries and vendors should be secured by having them licensed and that a minimum price for bread in relation to the average price throughout Canada should be fixed, and that employees of the bakeries and chain cash-and-carry stores should be brought under the Minimum and Fair Wage Boards.

The 1935 Session of the Legislature

The Third Session of the Nineteenth Legislature of Manitoba was opened on Feb. 12, 1935, by the Lieutenant-Governor, the Hon. William Johnston Tupper, K.C. In the Speech from the Throne references were made to the following: the proposed plan of the Dominion Government for the rehabilitation of the Western drought areas; the increase in the Provincial expenditure for relief—notwithstanding the fewer number receiving this aid—owing to the reduced contribution from the Dominion Government; the progressive development of Provincial mineral resources; and the improved financial standing of many rural municipalities due to careful administration, several operating on a cash basis. During the year, the Speech continued, the Department of Labour had been set up and charged with the administration of Acts relating to wages and conditions of work. The Provincial Government, His Honour said, had been urging the creation of a Dominion-Provincial Council to determine procedure for reducing the interest rates on public and private debt. Other items mentioned were: that the Government were considering a plan for a trial in a representative municipality of a public medical service scheme; that if necessary, the Government were prepared to introduce legislation to give effect to Dominion unemployment insurance and other social insurance proposals; and that it was intended to submit legislation dealing with unfair practices in industry.

In the debate on the Address-in-Reply to the Speech from the Throne, the Conservative Leader, Mr. Sanford Evans, deplored the over-taxation of the people and what he regarded as the experimental character of the proposed legislation. Twenty Members participated in the Debate and the Address was subsequently adopted without a division. The Session lasted till Apr. 6.

Public Accounts, Estimates, the Budget, 1935 Session

Public Accounts for the fiscal year ended Apr. 30, 1934, tabled in the Legislature, showed Revenue of $13,966,921 and Expenditure of $14,003,533, as compared with Revenue of $12,366,918 and Expenditure of $14,311,483 the previous year. The Deficit of $36,612 was $415,524 less than had been estimated. In his Budget Speech delivered in the Legislature on Mar. 13, 1935, the Hon. E. A. McPherson, K.C., Provincial Treasurer, placed Estimated Revenue for the fiscal year ending Apr. 30, 1935, as revised in February of that year, at $13,834,632 and Estimated Expenditures at $13,860,705. The Estimated Revenue for the fiscal year ending Apr. 30, 1936, was given as $14,050,193 and Expenditure as $14,083,067.

The largest items in the increase in the proposed Expenditure over the previous year were $35,000 for an advance to municipalities in connection with the supplying of seed and feed; $40,000 for additional assistance to needy schools; $50,000 additional for health services; and $43,000 for developing the mining and fur industries. While, on the basis of the Estimates, the Provincial Budget would practically be balanced for the year under consideration the capital cost of relief was not included. The Provincial Treasurer stated that between Oct. 1, 1930, and Jan. 31, 1935, the total cost of relief in the Province had been $29,978,433, shared as follows: Dominion Government, $10,720,977; Provincial Government, $10,574,570; and municipalities, $8,682,886. The peak of unemployment had been reached in March, 1934, when 105,587 individuals were on relief. In January, 1935, the number was 88,979. In the calendar year 1934 a total of $6,166,804 was expended on relief in Manitoba, not including the

drought area, of which $5,424,804 was expended in the City of Winnipeg and suburban area and only $742,000 in the rest of the Province. The Provincial Treasurer gave the Total Debt of the Province as at Jan. 31, 1935, as $121,028,002, an increase of $2,698,845 from Feb. 28, 1934, of which $1,700,000 represented money borrowed for loans to municipalities to assist them with relief. He noted that the market value of Manitoba 1947 bonds had increased from $90.25 in May, 1932, to $109.50 in December, 1934. He stated that the Government proposed to continue their policy of economy and careful administration in preference to the accepting of radical and untried plans. The Government were convinced that they would require only a reasonable degree of prosperity in order to improve the financial position of the Province. He made no taxation changes.

Legislation and Incidents of the 1935 Session

In all, 113 Bills were introduced in the Legislature during the Session and 105 were passed, the great majority being of minor importance. The highlight of the Session was furnished by a Bill authorizing the City of Winnipeg to make a drastic change in its business taxation. This Bill provoked prolonged contention in the Law Amendments Committee and in the Legislature itself. Faced with serious assessment and revenue difficulties, the City of Winnipeg had engaged Assessment Appraisers Limited, an eastern firm, to draw up a revised plan of business taxation. The plan submitted by this firm was the basis of the City's application to the Legislature for authority to alter its business tax system. The proposal was to substitute a schedule of differential rates of taxation ranging from 5 to 40 per cent. on business assessment of premises for the existing flat rate of 6 2-3 per cent. of rental value. Under the old tax the revenue for 1934 was placed at $490,449 and it was estimated that the proposed tax would produce $1,281,671 for 1935. The rates were based on business classification and assessment. The 5 per cent. rate applied only to independent retail merchants, agents, and professional persons, of low assessments. At the top of the rate scale were the banks, with a 40 per cent. rate on district head offices and 20 per cent. on branches, while in between were trust and loan companies, brokers, grain merchants, insurance companies, manufacturers, department stores, chain stores and other businesses with rates ranging from 15 to 35 per cent. The following is a comparison of the taxes on various business classifications levied in 1934 and proposed to be levied under the plan:

Classification	Business Assessment	1934 Bus. Tax	Proposed 1935 Bus. Tax
Retail trade	$3,683,609	$245,573.93	$ 611,035.00
Wholesale trade	846,251	56,416.73	126,937.65
Manufacturing	725,812	58,387.47	123,855.15
Oil and gasoline trade	112,340	7,489.33	15,147.38
Cold storage	36,900	2,460.00	5,535.00
Dry storage	74,235	4,949.00	7,423.50
Professional, etc.	618,970	41,264.67	83,647.35
Grain trade	300,858	20,057.20	60,171.60
Stock and bond brokers	38,400	2,560.00	9,600.00
Banks	307,521	20,501.40	92,966.40
Trust and mortgage loan companies	82,467	5,497.80	20,138.40
Insurance companies	269,037	17,935.80	94,162.95
Manufacturers' agents	91,749	6,116.60	18,349.80
Hotels	169,350	11,290.00	12,701.25
Totals	$7,357,499	$490,449.93	$1,281,671.43

Strong support for and opposition to the proposal developed before the Committee. C. A. Ripley, of Assessment Appraisers Limited, contended in behalf of the City that due to concentration and other causes

business taxation in Winnipeg was very low in comparison with other cities. He maintained that the proposed plan would place business taxation about on a level with that in Eastern cities. Representatives of Winnipeg business interests opposed the plan. Eventually the Committee amended the proposal in such a manner as to limit the taxation rates to 15 per cent., and, thus amended, the legislation was passed.

Important Amendments were made during the Session to the law respecting highway traffic. Among other new provisions was one setting a speed limit of 30 miles an hour in cities, towns, villages and on designated highways. With a view to enabling farmers to produce a new cash crop, legislation was passed authorizing the guarantee of the sum of $600,000 for the setting up of a beet sugar industry. Provision was made for inquiries into complaints of unfair trade practices and unjust treatment of labour. Authority was given the City of Winnipeg for extending the consolidation of arrears in taxes and making provision for redemption of property sold for taxes. Legislation of importance to rural districts provided for adjustment of drainage taxes. Without affecting the security of bond-holders, it placed responsibility for collection of the taxes on the municipalities except where municipalities decided to remain outside the system, the application of the system being subject to agreement between the Province and each municipality. The legislation governing insurance was made more uniform and insurance clubs were brought under it. Legislation provided for a Commission to deal with sewage disposal throughout the Province and a special Act incorporated a Greater Winnipeg sewage disposal district. The Minimum Wage law was strengthened. Another enactment did away with so-called floating patents to Crown lands. The authority of the Court of King's Bench was extended to permit it to annul marriages of persons under 18 years where consent of parents or guardians had not been given and where the parties had not lived together before annulment action was brought.

The Labour Group was active during the Session. Following representations by Mr. S. J. Farmer, Independent-Labour Leader, regarding alleged exploitation of workers and evasions of the Minimum Wage law, the Government undertook to provide for investigations. Mr. Farmer blamed the Government for not providing a sufficient staff for enforcement of the Minimum Wage law.

On Mar. 18 (1935) the Hon. W. J. Major, K.C., Attorney-General, stated in the Legislature that out of $18,527,000 of taxes imposed by the municipalities of Manitoba they had succeeded in collecting $18,330,000.

The 1936 Session of the Legislature

The Fourth Session of the Nineteenth Legislature of Manitoba was opened on Feb. 18, 1936, by the Lieutenant-Governor, the Hon. William Johnston Tupper, K.C. His Honour made fitting reference to the sorrow of the people of Manitoba, in common with the people of the rest of the Empire, in the death of His Majesty King George V and to the accession of his successor, His Majesty King Edward VIII. The Speech from the Throne remarked upon the continuing problem of unemployment and relief, which had been aggravated by the partial crop failure of the previous year, largely due to rust. In consequence of the financial situation of the farmers resulting from this crop failure it was proposed to introduce legislation to enable the municipalities to extend the time of payment of tax arrears. It was noted that progress was being made in mining, the forestry industries, fishing and fur production and a plan was to be proposed for the promo-

tion of the further development of the last-named industry. A Committee of the Legislature was to be appointed to consider possibilities of more effective highway traffic control and Bills for revision of some of the Statutes were to be introduced. It was hoped to submit a measure to implement proposals made at the Dominion-Provincial Conference.

In the debate on the Address-in-Reply to the Speech from the Throne, Mr. Sanford Evans (Conservative Leader) criticized the Government for not disclosing their entire legislative programme, particularly with regard to measures which might be expected to arise out of the Dominion-Provincial Conference. He had been anticipating, he said, that the Government would propose an early Provincial General Election but he saw no evidence of this in the Speech from the Throne. He regretted especially such omissions in it as (1) suggestions for providing farmers with seed grain and (2) proposals for the alteration of the Wage tax which he held to be objectionable. He also regretted that no step was proposed toward reducing the representation in the Legislature. When he said that the Government should have indicated whether they intended to agree to the proposal for a loan council the Prime Minister, the Hon. John Bracken, interjected that the Government had agreed that the Dominion should obtain constitutional authority for the setting up of a loan council but not to any set-up.

Mr. Farmer, Independent-Labour Leader, regretted the Government's failure to hold By-Elections to fill vacancies in the Legislature. He held that the Wage tax should be repealed. He urged stricter enforcement of the Minimum Wage law. During the Debate, the Prime Minister outlined the Government's proposal for the development of the fur industry in the marsh lands watered by the Saskatchewan River. He contended that the Government were acting in the best interests of the community in not holding By-Elections in vacant constituencies. The future action of the Province in respect of the loan council proposal would be subject to the decision of the Legislature, he said. The Government did not propose to go into the seed business on a wholesale scale. Mr. Bracken then stated that the number of persons on relief, January, 1936, had been 99,000; that mining production had increased from $5,500,000 in 1930 to $11,500,000 in 1935, forestry production, from $230,000 to $2,436,000, fur production, from $700,000 to $1,182,000, but that fishery production had been dropping. After 26 Members in all had participated in the Debate, the Address-in-Reply to the Speech from the Throne was adopted without division.

Public Accounts, Estimates, the Budget, 1936 Session

Public Accounts for the fiscal year ended Apr. 30, 1935, tabled in the Legislature, showed a Revenue of $14,383,862 and an Expenditure of $14,-224,427 leaving a Surplus of $159,435. Estimates for the fiscal year ending Apr. 30, 1937, placed Revenue at $13,802,319 and Expenditure at $14,097,549, leaving an anticipated Deficit of $295,230. In the Budget Speech delivered in the Legislature on Mar. 16, 1936, Mr. McPherson, Provincial Treasurer, stated that if no change in the basis of taxation had been intended he would have been able to estimate a Surplus of $104,230. It was proposed, however, to increase the exemption from the 2 per cent. tax on wages and income from $960 to $1,200 in the case of married men. He estimated, therefore, that this would cause a reduction in revenue of approximately $400,000 and affect 20,000 tax payers. The Provincial Treasurer stated in the Budget Speech that the total cost of relief in Manitoba from Oct. 1, 1930, to Jan. 31, 1936, had been $39,307,371, of which the Province's share was $13,879,455. In addition, the Province had lent $4,582,001 to muni-

cipalities to enable them to pay their share of relief, which sum the Province had borrowed at interest. Mr. McPherson pointed out that the total number of persons on relief in Manitoba was greater than the total population of Prince Edward Island and the cost to Manitoba of relief for the current fiscal year was greater than the Net Funded Debt of Prince Edward Island as at Dec. 31, 1934. The net increase in the Public Debt of Manitoba from Jan. 31, 1935, to Jan. 31, 1936, was given as $2,352,650. The Net Debt as at Jan. 31, 1936, was given as $69,864,714. Mr. McPherson held that the sale of long-term debentures in August, 1935, at a cost basis of 3.99 per cent. was a justification of the Government's efforts to maintain the Province's financial integrity, the interest rate in 1932 having been 6.78 per cent. He expressed the view that some method of taxation for raising sufficient revenue throughout the Dominion to pay for the major portion of relief costs would have to be adopted, whereby the Dominion would pay a larger share of relief costs in the future. He believed that the Province should continue the policy of making provision for debt retirement so that the burden piled up in the past would be removed by payment and not by refunding. He held that the Province should continue to avoid expenditures that were not absolutely necessary.

The Provincial Treasurer gave Estimated Revenue for the fiscal year ending Apr. 30, 1936, as revised in February of that year at $14,271,820 and Estimated Expenditures at $14,196,329.

In a Report submitted to the Legislature on Feb. 25, 1936, Mr. McPherson showed that the Gasoline tax produced $1,834,600; the Wage tax, $1,674,800; Motor Vehicle licences, $1,051,100; the Income tax on persons, $881,000; the Income tax on companies, $235,000; Succession duties, $340,200; Corporations tax, $657,000; Amusement tax, $123,400; Municipal Commissioner's levy, $380,100; Insurance taxes, $88,400; Registrations of documents of real property, $116,500; and Company incorporations, $88,400.

Legislation and Incidents of the 1936 Session

The Session, continuing until Apr. 7, was the shortest Session, with one exception, in 23 years. Little political controversy occurred during the seven weeks. Of 113 Bills considered, 96 were passed, the great majority being revisions of or Amendments to existing Statutes. As in previous years, the Charter Amendments proposed in behalf of the City of Winnipeg took up much of the time of the Legislature and the Law Amendments Committee. A proposal in the City of Winnipeg's Bill to authorize the City to engage in the business of selling gasoline as a means of controlling prices in the interests of residents of the City passed the Law Amendments Committee but was rejected in the Legislature on Motion of the Government supported by the Conservative Leader (Mr. W. Sanford Evans). Proposals for authorizing certain extensions in the City's business tax were also rejected as was a proposal for establishing adult suffrage in civic elections. Provision was made for a pension plan for employees of the City of Winnipeg. A Bill to extend the business hours of rural beer depots from seven o'clock to nine o'clock in the evening was passed by a majority of one vote over the opposition of the Prime Minister. A Bill was passed providing for the creation of a Civic Service Board to determine the qualifications of municipal clerks, treasurers and secretary-treasurers and which was designed to have the effect of safeguarding these officials from political influence. Amendments to the Highway Traffic Act were in the interests of safety on the highways. Legislation related to farm debt extended the right of creditors to sue

while the debtor was under the protection of the Dominion debt arrangement law and limited the right of foreclosure on chattel mortgages. The Government's programme of Statute revision and consolidation was carried forward with several revisions, including an important change in the Child Welfare Act. Other revisions were of The Coroners' Act, The Jury Act, The Loans Act, The Magistrates' Act, The Law of Property Act, The Burials Act, The Replevin Act, The Summary Convictions Act, The Treasury Act, The Wives' and Children's Act, The Live Stock and Live Stock Products Act and The Wills Act. This revision and consolidation enabled the Legislature to repeal five Statutes. A Bill for the recognition of chiropractic as a healing art and the incorporation of those engaged in the practice was rejected. A Bill was introduced by the Hon. R. A. Hoey, Minister of Education, and passed, to reorganize the Council of the University of Manitoba into a Senate with control over academic policies. A Debate on educational matters found Mr. Hoey deploring the apparent lack of interest of people in rural Manitoba in vocational education and supporting a proposal by Mr. William Ivens, Lab., Winnipeg, seeking the establishment of a more practical curriculum in Manitoba schools and the extension of industrial arts education to the youth of the Province.

Agricultural Conditions: Organizations 1935 and 1936

The series of partial crop failures continued through 1934, 1935 and 1936. Drought prevailed over large areas of the Province in 1934. In 1935 much of the wheat crop was partially or wholly destroyed by rust, a great deal being left in the fields as not worth cutting. In 1936 the damage was largely due to prolonged and intense heat and lack of rain during the growing season which also affected other grain crops. The total wheat harvests for the three years respectively were: 37,100,050, 22,500,030, and 28,000,400 bushels, the figures being those of the Provincial Department of Agriculture and Immigration which gave the values of the crops for the three years as respectively, $24,115,000, $13,275,000, and $24,920.000. The values of all field crops were: $51,233,000, $32,674,000 and $50,660,000.

Prolonged scarcity of feed affected the live stock situation. The Department estimated that in 1934 the number of horses in the Province was the lowest in 22 years. By 1935 the decline had halted and the estimate was the same as for the previous year. In 1936 horse breeding was increasing and the percentage of young horses was on the increase. Prices were improving. The Department's estimates of the principal animal populations for the three years respectively were: horses, 296,000, 297,000 and 314,800; cattle, 794,800, 759,500 and 746,400; sheep, 216,000, 218,000 and 207,800; pigs, 242,000, 183,500 and 270,560. Cattle prices were low in 1934 but showed considerable improvement in the following years and the prices of sheep and pigs improved from year to year. Much stock was moved from the drought areas to the North and East for grazing.

The values of creamery butter produced in the Province for the three years were: $3,928,088, $4,306,371 and $5,004,904; and of dairy butter: $1,339,800, $1,433,750 and $1,596,487. These years saw large annual increases in cheese production, as follows: 1934, 36.1 per cent.; 1935, 22.1 per cent.; and 1936, 46.9 per cent. (cheddar cheese). The poultry population was estimated as 4,794,000 for 1934, dropped about 500,000 in 1935 and rose to 4,732,000 in 1936. The estimated value of eggs produced was $2,077,000 in 1934, $2.434,000 in 1935 and $2,930,000 in 1936, the price improving each year.

Early in 1935 a proposal was submitted to the poultry producers of Manitoba for the setting up of a compulsory poultry pool under Dominion marketing legislation. It was vigorously supported by the Manitoba Co-operative Poultry Marketing Association and a campaign in favour of it was conducted throughout the Province. But after a vote of the producers was taken in February it was agreed that the number voting for it was not sufficient to warrant bringing it into effect. The campaign for and against the compulsory pool plan aroused a great deal of controversy. Subsequent to the voting, the Manitoba Co-operative Poultry Marketing Association decided to continue the effort to secure favour for the plan among producers in the hope that it would be endorsed eventually.

The following table shows the estimated net values of agricultural production (approximate only) of Manitoba for the years 1934, 1935 and 1936:

	1934	1935	1936
Field Crops (less seed for following spring and feed used on farm where produced)	$23,700,000	$14,277,000	$22,120,000
Live Stock Increase (less depreciation in horse value through labour of production)	7,000,000	8,300,000	8,350,000
Wool	99,000	103,000	128,000
Dairy Products	8,385,000	8,995,000	10,135,000
Poultry Products	3,415,000	4,032,000	4,414,000
Garden Products	1,300,000	1,600,000	1,300,000
Honey	409,000	367,000	569,000
Fur Farming	278,000	248,000	250,000
Clover and Grass Seed	70,000	80,000	183,000
Total NET production	$44,656,000	$38,002,000	$47,449,000
Average per farm, basis of 52,000 farms, 1934 to 1935 inclusive, and 54,000 farms in 1936	$859	$731	$879

The area, yield and value of field crops in 1935 and 1936, according to the Monthly Bulletin of Agricultural Statistics, January, 1938, was as follows:

	Year	Area Acres	Yield Per Acre Bush.	Total Yield Bush.	Average Price Per Bush.	Total Value
Spring Wheat	1935	2,587,000	9.0	23,250,000	$0.61	$14,183,000
	1936	2,556,600	10.2	26,000,000	.91	23,660,000
Oats	1935	1,434,000	21.4	30,700,000	.19	5,833,000
	1936	1,453,400	14.0	20,400,000	.37	7,548,000
Barley	1935	1,121,000	20.6	23,100,000	.25	5,775,000
	1936	1,423,000	13.3	18,990,000	.66	12,533,000
Fall Rye	1935	96,000	17.3	1,660,000	.25	415,000
	1936	74,700	10.7	800,000	.61	488,000
Spring Rye	1935	11,000	14.2	156,000	.25	39,000
	1936	13,600	11 0	150,000	.61	92,000
All Rye	1935	107,000	17.0	1,816,000	.25	454,000
	1936	88,300	10.8	950,000	.61	580,000
Peas	1935	1,700	18.0	31,000	1.15	36,000
	1936	1,600	13.8	22,000	1.13	25,000
Buckwheat	1935	4,700	18.8	88,000	.59	52,000
	1936	4,400	13.6	60,000	.78	47,000
Mixed Grains	1935	23,100	18.5	427,000	.28	120,000
	1936	9,900	15.5	153,000	.45	69,000
Flaxseed	1935	17,300	9.2	158,400	1.17	185,000
	1936	89,100	4.7	415,000	1.42	589,000
			Cwt.	Cwt.	Per Cwt.	
Potatoes	1935	34,500	75.4	2,600,000	.42	1,092,000
	1936	33,600	30 0	1,006,000	1.40	1,408,000
Turnips, etc.	1935	6,400	117 0	750,000	.42	315,000
	1936	3,100	67 0	207,000	69	143,000
			Tons	Tons	Per Ton	
Hay and Clover	1935	521,000	2.07	1,080,000	4.67	5,044,000
	1936	358,700	1.61	578,000	5.00	2,890,000
Alfalfa	1935	30,600	2.29	70,000	6.50	455,000
	1936	28,100	1.99	56,000	6.50	364,000
Fodder Corn	1935	73,700	4.75	350,000	4.00	1,400,000
	1936	31,300	3.87	121,000	4.50	545,000

Manitoba Pool Elevators, Limited

At the Annual Meeting of Manitoba Pool Elevators, Limited, at Winnipeg, Oct. 16, 1935, the Report of the Directors showed a total active membership at July 31, 1935, of 10,142, an increase of 846. During the 1934-35 crop year 10,908,637 bushels of all grains were handled by the organization, of which 9,996,997 were delivered to elevators and 911,640 handled over the platform. This was 25.4 per cent. of all deliveries in the Province as compared with 26.9 per cent. the previous year, the decrease being attributed to crop failure in the south-western part of the Province. The Organization's terminal elevator facilities were enlarged during the year 1934-35 by the acquisition under lease of an additional terminal elevator. Total deliveries to the Voluntary Pool amounted to 101,680 bushels, slightly more than for the previous season. The initial payment was 35 cents per bushel basis 1 Northern or 1 C.W. Amber Durum, Fort William, which was raised to 50 cents in the latter part of September. An interim payment of 15 cents was made on all grades on Mar. 27 and final cheques were mailed to growers on July 26. The gross sales price was 82.5 cents basis 1 Northern, Fort William, or 1 Amber Durum, which was stated to compare favourably with the open market average. The regular yearly payment of $37,124.60 was made on Aug. 1 to the Saskatchewan and Alberta Pools, plus interest of $15,592, reducing the outstanding balance on Terminal No. 1 to $222,748. The Directors stated that the establishment of the Canadian Wheat Board marked a milestone in the development of Canada's grain marketing system which was in line with the repeated urging of the Organization. The Directors urged the farmers of Manitoba to give the Wheat Board whole-hearted support. The year's operations of the Canadian Pool Agencies Limited, in which the Manitoba Pool Elevators held stock, resulted in a net surplus of $49,063 as compared with $37,291 for the previous year. The Directors reported that the year-end figures permitted a contribution of $47,000 to the working capital reserve.

At the Annual Meeting of the same organization on Oct. 14, 1936, the Directors reported a drop of 92 in membership but said it did not indicate loss of interest and subsequent to July 31, 1936, the cut-off date, 100 new members had been added, to be credited to the following year. Deliveries to the Pool elevators during the year 1935-36 had been 8,740,224 bushels and platform receipts were 322,797 bushels, the lowest on record, the decrease being due to the smallness of the crop. The Manitoba Pool Elevators' percentage of all grain delivered in the Province was 27.5 per cent. as compared with 25.4 per cent. the previous year. The annual payment to the Saskatchewan and Alberta Pools on Pool No. 1 was made, with interest, reducing the amount owing to $185,623. The year's (1935-36) operations permitted a contribution of $46,461 to working capital reserve.

Beginning with the crop season, 1932-33 Manitoba Pool Elevators had met their full obligations to the Province and had accumulated a working capital of $227,671. Their Report stated that there could be no doubt as to the support extended by patrons of Pool Elevators to the Canadian Wheat Board, 82.23 per cent. of net wheat deliveries having gone to the Board. The Directors declared that the Wheat Board had performed an extremely useful service, acting as a price stabilizer and giving a measure of protection in a season when it was sorely needed.

United Farmers of Manitoba

At the Annual Meeting of this organization at Portage La Prairie on Oct. 29, 1935, in the Presidential address J. S. Wood urged early steps towards reciprocity with the United States. He also advocated currency stabilization and improved marketing facilities. Resolutions were adopted in favour of sterilization of mental defectives; protection of resident farmers against loss of lands through tax arrears; setting of a minimum price for coarse grains by the Canadian Wheat Board; lower tariffs; debt refunding; abolition of the Sales tax and lower Income tax brackets; and correlation of debt payments to annual farm earnings as a basis of debt adjustment. Reports presented suggested that Social Credit should be closely investigated before being endorsed by the Organization; that there should be complete control by the Dominion Government of all transportation facilities; and public ownership of the Bank of Canada. A Resolution proposing the return of the organization to political activity was rejected. The President was re-elected.

At the 1936 Annual Meeting of the United Farmers on Oct. 28 at Neepawa, Resolutions were passed on live stock, banking, peace, traffic and transportation. One Resolution called upon the Dominion Government to appoint a Royal Commission to inquire into the Western live stock industry. Another Resolution asked for the establishment of lower insurance rates on the Hudson Bay Railway and an increase of traffic over the northern Ocean route. A Resolution, dealing with the Bank of Canada, urged the Government to obtain "all individually controlled shares" so that the Government would be "the sole owner and in absolute control of the Bank." A drought problem Resolution urged establishment of an area as a relief project to make an adequate test of the efficacy of means of combating drought. The tests would include scientifically planned reforestation and growing of windbreaks, and shelter belts. Extension of electric power lines into rural areas, and in particular to farm homes, was urged in another Resolution. It was suggested that the work might be undertaken as part of the programme to end unemployment.

Mines and Natural Resources, 1934—1936

Mining continued to be a source of economic strength to Manitoba during the years under review. The Annual Reports of the Department of Mines and Natural Resources showed the total values of mineral production for the calendar years 1934, 1935 and 1936 as, respectively, $9,776,934, $12,052,417 and $11,171,346. Gold mining was an increasingly important factor and the value of gold produced reached approximately $5,000,000 in each of the years 1935 and 1936. New mines were being brought into production and many new claims were being staked. God's Lake Gold Mine and Gunnar Gold Mine, coming into operation in 1935 and 1936 respectively, were features of the development. Apart from gold the most important metals being mined were copper, worth $2,963,146 in 1935 and $2,829,190 in 1936; zinc, worth $1,584,513 in 1935 and $1,218,095 in 1936; silver, worth $781,660 in 1935 and $357,175 in 1936. Production of cadmium and selenium, metals new to the Manitoba field, was increasing rapidly.

For the first time since 1929 the production of hydro-electric power in 1934 began to increase; the output for the three years, 1934-36 was as follows: 983,981,340 kilowatt hours in 1934; 1,104,152,110 in 1935 and 1,320,019,200 in 1936. Five plants on the Winnipeg River were supplying

Winnipeg and other communities in southern Manitoba and mining developments in the central area. In 1935 and 1936 the City of Winnipeg was installing a third 12,000 horse-power unit at Slave Falls. The sixth power development of the Province was in the northern area where God's Lake Gold Mines, Limited, constructed a power plant on Island Lake River which came into operation in 1935 with one unit of 1,900 horse-power.

The Lands Branch of the Department in 1935-36 reported sales aggregating $54,282; in 1934-35, $187,385 and in 1933-34, $96,506. Total collections on account of land sales in 1935-36 amounted to $41,385, representing $30,298 principal and $11,060 interest. In 1934-35, collections totalled $74,314, which was made up of $52,929 principal and $21,385 interest. Corresponding figures for 1933-34 were $49,406, $31,067 and $18,339, respectively. The number of homesteads and soldier grant entries dealt with during the year 1935-36 was 579 of which 146 entries were cancelled and 433 transfers issued. A total of 902 homesteads and soldier grant entries were dealt with during 1934-35 of which 380 were cancelled and 522 transfers issued. In 1933-34, the figures were 734,506 and 228, respectively.

Conservation and development of fisheries resources was a concern of the Provincial authorities. The market values of the production of commercial fisheries for the fiscal years, 1933-34, 1934-35 and 1935-36 were respectively, $1,306,020, $1,329,814 and $1,570,354. The value of furs produced in the Province showed important increases. The values for the three years of raw furs exported were, respectively, $2,855,298, $3,532,534 and $3,599,580. In addition, raw furs processed in the Province had values for the three years of $176,297, $212,422 and $314,387. Fur farming was increasing, the capital value of fur farms being $1,617,591 at Dec. 31, 1935, and $1,841,004 at Dec. 31, 1936. Fur farms were producing about 23 per cent. of the annual fur wealth.

In 1934 the Manitoba Power Commission extended its services to three additional towns and its sale of electricity increased 6.8 per cent. Gross revenue was $819,472 and operating charges were $823,369. Controllable expenses were reduced by $39,256. In 1935 the Commission added ten towns to its system. Gross revenue was $908,973 and fixed and operating charges amounted to $895,626. The operating results were the most satisfactory in the Commission's history and placed the system on a sound financial basis. Rates to farmers were reduced. As a relief measure and through the co-operation of the Dominion Government, the Commission in 1936 added 16 towns and villages to the system. Rates were reduced on commercial and domestic business and street lighting. Gross revenues were $966,150 and fixed and operating charges, $918,822.

Health and Welfare; other Services during 1934—1936

The Annual Reports of the Department of Health and Public Welfare gave vital statistics for the years 1934, 1935 and 1936, respectively, as follows: per 1,000 of population, births—18.7, 18.8, 18.1; marriages—7.4, 7.5, 8.1; deaths—7.3, 8.1, 8.7. The infant mortality rates per 1,000 births for the three years, respectively, were 55, 63, 61. The population of the Province was remaining fairly constant, the estimated population for 1934 and 1935 being 711,000 and the Census population for 1936 being 711,216.

The Report of the Superintendent of Insurance on the business of the year 1934 showed that at Dec. 31 there were 20 Provincial companies

licensed to do business, 9 reciprocal exchanges and 266 Dominion companies. The Report noted that a Committee of the Legislature had decided that "Assessment Clubs" did life insurance business and that in the public interest they should be required to be actuarially solvent, and accordingly they were no longer excepted from the provisions of the Act. The Report for 1935 showed that at Dec. 31 there were 20 Provincial companies, 9 reciprocal exchanges and 251 Dominion companies licensed to do business. The Report for 1936 showed that at Dec. 31 there were 23 Provincial companies, 9 reciprocal exchanges and 261 Dominion companies licensed to do business. The decrease in premiums collected on life insurance in 1935 was $848,139 as compared with a decrease of $455,284 in 1934, while in 1936 there was an increase of $259,621.

Applications received for Old Age Pensions, administered by the Workmen's Compensation Board, numbered 1,884 in the year ended Apr. 30, 1935, and 2,036 in 1936; the numbers of deaths for the two years, respectively, were 839 and 1,037; the total amounts paid to pensions, $2,268,055 and $2,462,906, of which the shares of the Province were $589,745.52 and $639,662.83. From the inception of the Act in 1928 to Apr. 30, 1936, 18,382 applications had been received.

Reports of the Department of the Provincial Secretary for the years ended Apr. 30, 1934, 1935 and 1936 gave the following respective figures: Revenue of the Department, including that from the *Manitoba Gazette*—$56,135, $61,872, and $49,836; letters patent granted for company incorporation—131, 192 and 154.

For the fiscal years ended Apr. 30, 1934, 1935 and 1936 the returns of the Government Liquor Control Commission showed: sales—$2,175,811, $2,329,266 and $2,633,813; beer licences (and beer vendors in the last two years)—$1,591,551, $1,879,433 and $1,905,880; net profit—$992,068, $1,086,027 and $1,293,287.

It was revealed by the Report of the Provincial Censor Board that Canadian films were seen in the Province for the first time during 1934, when eight were shown. United States films continued in the lead, with British films gaining slowly but steadily.

The Bureau of Labour adjusted 403 claims, securing $8,680 for male and female employees in the fiscal year ended Apr. 30, 1936. In June, 1935, the Bureau established an Accident Prevention Branch which was active in co-ordinating the work of bodies engaged in accident prevention. During the fiscal year 1,260 industrial accidents with 23 fatalities were recorded. The Fair Wage Board adjusted 67 claims involving the collection of $4,371. The Bureau of Labour reported that a steady decrease was recorded in fire loss in the Province, the loss *per capita* being reduced from $4.02 in 1925 to $1.70 in 1935, Manitoba having the lowest average loss ratio. Summaries of the Annual Reports for the fiscal years 1934-35 and 1933-34 showed the following statistics: number of Minimum Wage claims adjusted in 1934-35—540, involving $9,060; in 1933-34, none; number of industrial accidents in 1934-35—1,011; in 1933-34—1,469; number of fatalities in 1934-35—4; in 1933-34—none; number of fair wage claims adjusted in 1934-35—15, involving $400; in 1933-34—none; fire loss *per capita* in 1934-35—$1.70; in 1933-34—$1.64.

The Annual Reports of the Workmen's Compensation Board showed a steady increase in industrial accidents during 1934, 1935 and 1936. For 1934 the Board received reports of 7,879 accidents including 18 fatalities; for 1935 there were 9,907 accidents with 28 fatalities; and for 1936, 11,050 accidents with 48 fatalities.

Municipal Statistics; Debt Adjustment

A statement issued by the Municipal Commissioner gave comparative summarized statistics for municipalities in Manitoba, excepting cities. For the years 1934, 1935 and 1936 respectively it showed the following: total municipal assessment—$261,796,912, $253,447,487, $245,683,730; total municipal taxes imposed—$7,175,381, $7,183,649, $7,496,062; total municipal taxes collected (current and arrears)—$7,413,463, $6,175,653, $7,746,511; total municipal tax arrears—$16,083,675, $16,790,756, $17,645,101; municipalities operating on a cash basis—119, 44, 98; and unmatured municipal debentures and deferred liabilities—$16,517,959, $16,029,969, $17,743,329. In 1934, 31 municipalities had cash surpluses amounting to $167,140 and 139 had deficits amounting to $6,663,423; in 1935, 26 municipalities had cash surpluses amounting to $96,142 and 144 had deficits amounting to $8,131,861; in 1936, 37 municipalities had cash surpluses amounting to $255,924 and 133 municipalities had deficits amounting to $7,926,456. Current liabilities of all the municipalities as at Dec. 31, 1936, amounted to $9,571,129, which included $2,856,524 owing to schools, $685,512 owing for current loans, $1,999,963 owing to the Province and other liabilities amounting to $4,-029,129, while cash on hand and in bank amounted to $1,900,597, leaving an immediate cash deficit of $7,670,531.

The Manitoba Debt Adjustment Board dealt with 3,149 new applications and reviewed 1,713 cases previously considered in the fiscal year ended Apr. 30, 1934; 2,618 new applications and 1,719 cases for review in the fiscal year ended Apr. 30, 1935, and 1,826 new applications and 1,271 review cases in the fiscal year ended Apr. 30, 1936. For the first of the three years the Board reported that while not much progress had been made in securing substantial reductions in debt, it appeared that the bulk of the settlements made were on a permanent basis. It stated that while the assistance and protection given might be all that was required in many cases to enable farmers to re-establish themselves, in others it might be advisable for creditors to make concessions. In the matter of 1,103 applications for certificates for foreclosure only about 18 per cent. had been granted owing to the Board's belief that the cases were hopeless and a similar proportion, because the debtor consented or ignored communications. During the fiscal year ended Apr. 30, 1935, the Farmers' Creditors Arrangement Act of the Dominion came into effect and was in operation for eight months of the period, during which there were 275 cases where applications had been made to the Provincial Board in which the debtors desired to avail themselves of the Dominion measure. While many debtors derived advantage under the Dominion Act, many others considered the provisions of the Provincial Act more satisfactory, the Board reported. In 2,475 cases, settlements were arranged voluntarily or imposed, and again the Board reported that in the vast majority of cases of settlement these were not subsequently disturbed. In 310 rural cases foreclosure certificates were issued, 156 of them being considered hopeless and in 108 the debtor giving his consent or failing to reply to notice. The number of matters dealt with decreased by about 28 per cent. in the fiscal year ended Apr. 30, 1936, but this rate of decrease was not maintained towards the close of the year. The Board noted an increasing willingness on the part of creditors to enter into voluntary negotiations for debt reduction. During the year 199 foreclosure certificates were issued in rural cases, 115 cases being considered hopeless and granted and 70 granted with the debtors' consent or through failure to reply to notice.

Education

Reports of the Department of Education for the three years ended June 30, 1934, 1935 and 1936 gave the following respective figures: total number of pupils enrolled—147,253, 144,741 and 142,482; number of school districts in operation—1,966, 1,948 and 1,902; teachers' salaries paid—$3,713,675, $3,954,077 and $3,987,144; and disbursements by school districts—$7,152,841, $7,453,007 and $7,646,302.

The University of Manitoba had an enrolment of 2,642 in regular courses, 515 in extension courses and 886 in Summer school in the year 1934-35 and 2,563 in regular courses, 711 in extension courses and 966 in Summer school in the year 1935-36. In the former year a Faculty of Education was created with provision for Diploma and Degrees of Bachelor of Education and Master of Education. In the latter year the University Act was changed to provide for the abolition of the University Council and the creation of a Senate with larger representation of the University Faculties. An Institute for the promotion of adult education was created. Examinations in music were established based on a Syllabus jointly adopted by the Universities and Departments of Education of Manitoba, Saskatchewan and Alberta, co-operating through the Western Board of Music.

Staff changes in the University of Manitoba were effected in the year 1934-35 by the resignations of Prof. A. B. Clark, head of the Department of Political Economy, and Mrs. L. C. Duncan, Director of the Department of Home Economics, and the appointment of E. K. Brown, head of the Department of English, R. McQueen, head of the Department of Political Economy, and Grace Gordon Hood, Director of the Department of Home Economics. In the following year changes included the resignations of Prof. A. H. R. Buller, Head of the Department of Botany, Prof. J. N. Finlayson, Head of the Department of Civil Engineering, and Dr. R. G. Inkster, Head of the Department of Anatomy, and the appointment of D. S. Woods, Dean of the Faculty of Education. Honorary degrees were conferred in the former year on Mr. Archibald B. Clark of the University of Manitoba, Dr. James B. Collip, D.SC., of McGill University, Miss Ella Cora Hind, Agricultural and Commercial Editor of *The Winnipeg Free Press,* and Mr. Louis S. St. Laurent, K.C., President of the Canadian Bar Association, and in the latter year on Dr. Charles Camsell, Deputy Minister of Mines, Ottawa, and Mr. William Sanford Evans of Winnipeg.

Industrial Development Board

The Industrial Development Board of Manitoba which had suspended its activities in 1933 owing to lack of support, resumed them early in 1935. In its Annual Report for that year it was stated that during the period 41 industries had been established; 11 plants, expanded; 53 new lines, added by established manufacturers; and more than 1,100 people, added to industrial payrolls. Among the new industries were plants producing wearing apparel, chamois products, food products, furniture, caskets, fertilizer, grain cleaners, canoes, fire extinguishers, fox foods, paint and shingles. The greatest growth was in the needle trades, three new concerns being added and six enlarging their facilities. In Greater Winnipeg 1,000 persons were employed in the manufacture of wearing apparel. Next in importance in expansion was the food products group which recorded some of the most remarkable successes in Winnipeg's industrial history. Some concerns were successfully shipping to the Eastern Canada market and in many instances local manufacturers were replacing products imported from great distances. Truck and coach body manufacturing was reaching

important proportions. Work on the Dominion construction programme and the City of Winnipeg's sewage disposal system had benefited industries supplying construction materials. Mining development had helped Manitoba industry. The Board stated that in 1935 Manitoba had made a forward step in industrial development and it looked forward with confidence to the future of industry in the Province. In its Report on the year 1936 the Board stated that that year would be recorded as one of signal industrial progress for Manitoba and that with the exception of those dependent on the construction industry practically every industrial group had made progress. In Winnipeg the industrial payroll had increased by more than $1,300,000 and jobs had been found for over 1,600 more persons. During the year 52 new industries commenced operations, 61 new products were added by established manufacturers and the gross value of output increased nearly 20 per cent. over the previous year. Of outstanding importance was the stepping up of production close to a capacity basis in the newsprint mill of the Manitoba Paper Company at Pine Falls. The list of new industries or added products was well diversified. The Board regarded the industrial record of Manitoba as one to be proud of and doubted whether it had been equalled by many communities of like size in the United States or Canada. Of the 52 new industries established in 1936 none had gone out of business and for the four years 1932-33-35-36 (no record for 1934) the casualty record had been only 27 per cent. as compared with an average of 60 per cent. for the United States and Canada.

The Province of Manitoba

(As at Dec. 31, 1936)

Lieutenant-Governor	The Hon. W. J. Tupper, K.C.

The Bracken Ministry (Coalition)

(As at Dec. 31, 1936)

Prime Minister, President of the Council, Minister in charge of the Power Commission, Provincial Secretary and Railway Commissioner	The Hon. John Bracken, B.S.A., LL.D.
Minister of Agriculture and Immigration	The Hon. Douglas L. Campbell
Minister of Public Works and Minister of Labour	The Hon. W. R. Clubb
Attorney-General, Municipal Commissioner, Minister of Telephones and Telegraphs	The Hon. W. J. Major
Minister of Mines and Natural Resources	The Hon. J. S. McDiarmid
Minister of Health and Public Welfare	The Hon. Isaac Bertie Griffiths
Minister of Education	The Hon. Ivan Schultz
Provincial Treasurer	The Hon. Stuart S. Garson
Minister without Portfolio	The Hon. Sauveur Marcoux

Heads of the Administrative Services

(As at Dec. 31, 1936)

Clerk of the Legislative Assembly	H. H. Dunwoody
Clerk of the Executive Council	J. L. Johnston
Deputy Provincial Treasurer	R. McN. Pearson
Deputy Attorney-General	John Allen, K.C.
Deputy Minister of Public Works and Labour	A. MacNamara
Deputy Municipal Commissioner and Deputy Provincial Secretary	R. M. Fisher, K.C.
Deputy Minister of Agriculture and Immigration	J. H. Evans
Deputy Minister of Mines and Natural Resources	Charles H. Attwood
Assistant Deputy Minister of Mines and Natural Resources, and Solicitor	David J. Allen
Deputy Minister of Education	Dr. R. Fletcher
Deputy Minister of Health and Public Welfare	F. W. Jackson, M.D.
Provincial Librarian	W. J. Healy
Commissioner of Telephones	J. E. Lowry
Civil Service Commissioner	C. M. McCann
Comptroller-General	C. A. W. Glover (appointed May 1, 1938)
Chairman, Manitoba Power Commission	Herbert Cottingham
Commissioner, Workmen's Compensation Board	C. K. Newcombe
Municipal and Public Utility Board	W. R. Cottingham, Chairman D. L. Mellish George H. Balls

THE PROVINCE OF BRITISH COLUMBIA

The Pattullo Administration; Other Affairs in 1935—1936

The Provincial Liberal Administration, with the Hon. T. D. Pattullo as Prime Minister, were occupied mainly during 1935 and 1936 with financial questions. The principal problem continued to be that of unemployment. Throughout the two years the Government adhered to a policy designed to preserve the financial integrity and credit of the Province. They kept budgetary expenditures within their revenue—this was increasing as a result of improved business conditions—except that, in common with other Provincial Governments, they did not pay for unemployment relief out of Income, nor did they maintain in full the required payments to the Sinking Funds. The Provincial Debt was mounting as a result of relief borrowings and other financing but the balance sheets showed a substantial surplus of assets over liabilities. The Prime Minister and the Minister of Finance, the Hon. John Hart, as well as other members of the Government, gave much attention to the question of debt conversion with a view to the lowering of interest charges, and to that of relief or assistance to municipalities in their financial problems. In these matters they hoped for the co-operation of the Dominion Government and, with a Dominion-Provincial Conference due towards the end of 1935 which would afford opportunity of making representations to Ottawa, definite action was deferred until the following year. The Government sought "better terms" in Dominion-Provincial relations in a number of connections and these were discussed during the 1935 Session of the Legislature by the Prime Minister and other Ministers and by Mr. Pattullo in broadcast talks to the people of the Province. These proposals, as prepared for the Dominion-Provincial Conference in December (1935), were chiefly as follows: general adjustment in relations between the Dominion and the Province, readjustment of sources of revenue, Dominion co-operation with refunding, re-definition of the respective jurisdictions of the Dominion and the Province, absorption by the Canadian National Railways of the Pacific Great Eastern Railway which constituted a heavy financial burden on the Province, regional tariff adjustments or compensation for the Province for the effect of the tariff, readjustment of freight rates, a permanent policy in respect of unemployment, and provision of capital for public works and development. On his return to British Columbia after the delegation which he headed had made its submissions to the Dominion-Provincial Conference in December, 1935, Mr. Pattullo stated that he was satisfied that the Conference had had results. He was particularly gratified at the statement of the Rt. Hon. Mackenzie King that the Provinces should be placed in a position to carry on under their own autonomy. On this occasion Mr. Pattullo warned that he would not submit to Dominion control of the borrowing power of the Province through a loan council, as proposed at the Conference. Mr. Pattullo announced that a Trade and Commerce Department of the Government was to be established to encourage industry.

British Columbia's claim to "better terms" had been acknowledged tentatively in an interim increase of $750,000 in the Dominion subsidy to the Province. The Provincial Government was faced in turn with demands from Vancouver Island for a larger share of Provincial outlay. During

1935 the Prime Minister gave publicity at various times to the view that the Dominion should spend $200,000,000 a year through the use of the national credit on works to relieve unemployment, holding that if $15,000,000 were allocated to British Columbia the Province could absorb practically all the employable unemployed. The Government during 1935 undertook a forestry training camp project designed to train from 300 to 500 young men in forestry work at a series of camps. Failing to secure a loan of $2,000,000 from the Dominion Government for public works, the Provincial Government decided to issue that amount of bonds and dispose of them to the Sinking Funds, using the money for public works and loans to municipalities. At this time the Government took a stand in opposition to the application of the Dominion Farmers' Creditors Arrangement Act to the Province, claiming that it encroached on Provincial jurisdiction by applying to Provincial contracts. After the Province had secured an interim injunction against the operation of the Act the Dominion Government took steps to withhold its operation in British Columbia. In September, 1935, the Province secured a Dominion loan of $1,671,000 to meet a maturity.

A major Provincial undertaking of 1935 was the provision for a new bridge over the Fraser River at New Westminster, estimated to cost between $3,500,000 and $4,000,000. The project, on a Provincial basis, was authorized by the Legislature in March and, in August, a contract for the principal work was awarded to the Dominion Bridge Company, which had submitted a tender of $2,722,000, the lower of two tenders submitted. The Company agreed to accept $2,000,000 of bonds at 3 years and 3½ per cent. In connection with newspaper criticism of the Government on the bridge matter, which had proved contentious in the Legislature, the Prime Minister in a broadcast address referred to the action taken in some countries to restrict the operations of the Press and was quoted as adding: "I am not sure that it will not be necessary that action will have to be taken in this country."

Provincial and municipal finances continued to occupy a prominent place in British Columbia affairs during 1936. The Pattullo Government had hoped that the Dominion-Provincial Conference at the end of 1935 would result in a readjustment of the Province's relations with the Dominion in a manner which would either relieve the Provincial Government of some of their obligations or permit them to extend their sources of revenue and enable them to assist the hard-pressed municipalities and which would open the way to early action on debt refunding. The decisions of the Conference, however, were not conclusive; a number of questions were left for further consideration by continuing committees, while some of them depended on proposed constitutional Amendments. Consequently, the Provincial Government decided early in 1936 that only routine and urgent matters would be placed before the Legislature at the usual Spring Session and that there should be another Session in the Autumn when it was expected that something would have been accomplished in the way of readjustment with the Dominion.

In February the Dominion Government came to the assistance of the Province with a loan of $4,300,000 to enable it to meet a $5,000,000 maturity. The Hon. John Hart, Minister of Finance, in April announced that the Province would be able to meet a maturity of $3,500,000 on May 15 out of cash surpluses and similarly would meet all maturities to the end of 1939 without assistance. On May 11 (1936), Mr. Pattullo, back from Ottawa where he had been in negotiation with the Dominion Government, stated that the Province had asked for loans from the Dominion for their own

purposes and for giving assistance to the municipalities but had been denied them. He stated that he would not countenance, for the time being, the loan council plan proposed at the Dominion-Provincial Conference; also that the Dominion Government would set up a Commission on "better terms," and would submit constitutional Amendments to increase the taxing authority of the Province, but that nothing had been determined about the Province's proposal that the Canadian National Railways should take over the Pacific Great Eastern Railway.

In this same month, bank interest on advances to the Province was reduced from 4 per cent. to 3½ per cent. and the Government reduced from 6 per cent. to 4½ per cent. the rate on deferred payments on land settlement, irrigation and other accounts. The Hon. F. M. MacPherson, Minister of Public Works, announced in June (1936) that the Province would engage on a $2,000,000 highway and mines roads programme with Dominion assistance. In the following month (July) the British Columbia authorities refused to accept interest payment at reduced rates offered by the Province of Alberta on its securities.

At the Autumn Session of the Legislature the Government introduced legislation authorizing them to borrow $5,000,000 for a public works and land settlement programme.

Substantial relief for the municipalities at this Session was in the form of legislation relieving them of the cost of social services to the amount of $700,000 a year. At the same time the Government secured the passage of a measure authorizing the municipalities to refund their debts provided they obtained the consent of 51 per cent. of the bondholders.

In purely Provincial matters the enactment at the first Session of the Legislature in 1936 of a measure for the setting up of a contributory public health insurance system was outstanding. Health insurance had been under consideration in the Province for some time and a draft plan was distributed at the Session of 1935. Somewhat revised, it was submitted in the form of legislation in 1936 and, from the first, provoked controversy. Large sections of the medical profession strongly urged that it should be deferred until further investigation of its actuarial basis could be made. Some other sections of the community advocated postponement on the ground that it would place too much of a burden on business and industry. In the Legislature the Government were unable to retain the support of all their followers for various provisions of the measure and on a number of occasions sustained adverse votes. The Bill was put through with the support of a majority of the C.C.F. Opposition. It provided medical services and sick benefits on a family basis for all residents earning under $1,800 a year with the exception of farmers and certain classes of workers covered by industrial insurance. Employees and employers were required to contribute, the Province providing a sum for the setting up of the system. The measure was to come into force on proclamation. Proclamation was made in May (1936) and the Health Insurance Commission was created with Dr. Allon Peebles as Chairman at a salary of $6,000 and Dr. W. T. Barrett as Vice-Chairman at a salary of $5,500. During the balance of the year the Commission was mainly engaged in securing the registration of persons subject to contributions and entitled to benefits under the system and in other organization work. Opposition to the operation of the scheme continued.

The agitation on Vancouver Island against what was claimed to be unfair treatment by the Provincial Government developed during 1936 into a proposal for separate provincial autonomy for the Island. The

Vancouver Island Provincial Association was formed with H. D. Twigg of Victoria as organizer and public meetings were held in Island centres.

Progress was made with the Fraser River Bridge at New Westminster, the Federal Government giving approval of the project under The Navigable Waters Act, and another important bridge project was moved forward when approval was also secured from Ottawa for a bridge over the First Narrows of Burrard Inlet to connect West Vancouver with the centre of the City. The project was roughly estimated to cost $6,000,000.

After the Dominion Marketing legislation had been declared invalid by the Supreme Court of Canada the Provincial marketing measure, passed in March, 1936, was proclaimed.

Economic conditions in British Columbia continued to improve in 1936; a Government statement in December was to the effect that production in the Province would have a value for the year of close to $200,000,000 as compared with $125,000,000 in 1933. Unemployment had decreased substantially and wages were higher. An all-time high level in forestry production was reached, and both mineral and agricultural production recorded increases. Serious floods did much damage and left many persons homeless both in 1935 and 1936.

An appointment of importance during 1936, was that of Mr. Eric W. Hamber of Vancouver, business man and sportsman, as Lieutenant-Governor of British Columbia on Apr. 29. He succeeded the Hon. J. W. F. Johnson, who had resigned before the expiration of his term owing to ill health.

Commencing on July 1, 1936, the City of Vancouver held an elaborate Golden Jubilee Celebration of the Fiftieth Anniversary of its incorporation. Notable visitors during the Ceremonies included the Rt. Hon. R. B. Bennett, Prime Minister of Canada; the Rt. Hon. Sir Percy Vincent, Lord Mayor of London, and Lady Vincent.

The City of Vancouver in 1935 and 1936

Outstanding among the developments of the Province during the two-year period and one that had the effect of focusing wide-spread interest on the City of Vancouver, were the efforts of the Mayor of the City, Mr. G. G. McGeer, K.C., to deal with serious civic financial problems. One proposal was that Vancouver should reduce the interest payments on its securities by 50 per cent. for two years. Other problems facing the City during the two years included serious labour disorders, involving the reading of the Riot Act to relief camp strikers, and a clash between forces of the police and longshoremen in dispute with the Shipping Federation of British Columbia in which a number of police and civilians were injured; and efforts by the Provincial Government to secure "better terms" for British Columbia in Dominion-Provincial relations.

The financial position of Vancouver with which Mr. McGeer sought to deal upon becoming Mayor at the first of the year 1935 was that the City had a debt of $78,000,000 on which the annual interest charges amounted to $3,104,000 at an average rate of about 4.65 per cent. There were on the books unpaid taxes amounting to $7,834,000 and the sinking funds had a shortage of $7,000,000. The Mayor immediately proposed to the City Council that it seek authority from the Provincial Legislature to reduce interest payments by half for two years on the understanding that the interest left outstanding would be paid when the City's financial position permitted. He claimed that the proposed action was not in the nature of repudiation. Protests from investment interests quickly followed. The

Investment Dealers' Association of Canada urged postponement of action pending an investigation of the financial affairs of the municipality. The City Council, on the Mayor's recommendation, decided to ask the bondholders to accept the proposed reduction until an adjustment could be made and to seek the necessary authority from the Legislature. The Provincial Government refused to endorse the proposal, and it also rejected a further proposal from the Mayor for a conversion of the Provincial and municipal debts under a Commission, with one standard bond issue. The City's fiscal agents in London sent a warning that the proposed course would work harm, including the rendering of Vancouver securities unmarketable; and brokers in London suspended quotations on them. The Prime Minister of the Province, the Hon. T. D. Pattullo, stated that Vancouver's method of dealing with its finances had hurt the credit of the community; the Government, he said, had given assurances to financial circles that they were not a party to the proposal; and declared that the Government would not guarantee municipal debt.

At a meeting early in February representatives of Vancouver's bondholders refused to accept the interest reduction proposal and recommended that Mr. Thomas Bradshaw of Toronto should be engaged to investigate and report upon the City's financial position. This recommendation was accepted by the Mayor and Council. Mr. Bradshaw, in his Report, made no reference to the McGeer proposal, but he found that the position of Vancouver was not hopeless. He attributed its difficulties largely to its failure to make the same effort as other municipalities to collect its revenue. He found that the City's average interest rate was about 4.63 per cent., which, he said, was not relatively high. Among his recommendations were: a budget for 1935 that did not exceed 1934 expenditures; steps to collect unpaid taxes; additional imposts, including a 10 per cent. tax on rents and business licence fees; increased water rates; reduction in the sinking funds; an effort to have authorized bonds taken up locally and a request to the Province for assistance to the extent of about $800,000. This Report, unsatisfactory to Mr. McGeer, did not deflect him from his course. He renewed his proposal for a reduction in interest payments, declaring that bondholders who wanted more than the interest he proposed to pay could "put the sheriff in." The City Council decided to go to the Legislature during the 1935 Session with a request for authority to make the reduction on an understanding that the balance of interest would be paid in two years; to issue $1,500,000 of bonds for a new City Hall and other public works; and to establish a city savings bank. As the Government was opposed to it, the interest reduction authority was not granted, but the City was authorized to make the proposed bond issue and to omit sinking fund payments for two years, the Prime Minister stating that this would relieve the City from its immediate difficulties. Subsequently, legal action was initiated to restrain the City in connection with the bond issue but the Provincial Government gave assurance that it would be afforded statutory protection. During this period, early in 1936, the Union of British Columbia Municipalities was making demands for the financial relief of municipalities in general, among them being a reduction in social service costs and the creation of a Provincial Commission on utilities, highways and relief. The Union favoured state health and employment insurance. It wanted for the municipalities a share in beer licence fees and authority to engage in the gasoline business. Later in the year Mr. McGeer and the Mayor of Victoria (Mr. David Leeming), who had been elected President of the

Union, led a municipal delegation to the Provincial Government requesting Dominion and Provincial guarantees for municipal financing and relief from social service costs. In August, 1936, the City Council of Victoria initiated steps looking to a conversion of its bonded debt on which the annual carrying charges amounted to $1,300,000. It adopted a proposal by its fiscal agent, C. S. Henley, that it send a delegation consisting of himself, the Mayor (Mr. David Leeming), aldermen and civic officials to Toronto, New York and London in an effort to induce 51 per cent. of the bondholders to agree to a conversion (see 1936 legislation of Autumn Session). The plan was delayed when an injunction was secured by a ratepayer restraining the City from paying over to Mr. Henley $15,000 for the expenses of the trip of the party, the agreement with Mr. Henley calling for an additional payment of $15,000 should the plan succeed. The arrangement as to expenses was altered and the party proceeded to the large financial centres, accompanied by the Mayor of Vancouver. When Mr. Leeming left London on Oct. 31, 1936, to return home he expressed confidence that a satisfactory solution would be reached on the conversion of Victoria's $12,600,000 debt, but little more was heard of the plan that year. In the meantime, the City of Vancouver had eliminated from its Budget all provision for Sinking Fund payments.

The Mayor of Vancouver (Mr. McGeer) was a central figure also in the disturbances which arose out of the so-called relief camp strikes. On Apr. 4, 1935, large numbers of single unemployed men who were being maintained in relief camps in British Columbia by the Dominion Government, left the camps, complaining about camp fare and treatment and demanding work and standard wages. They concentrated in Vancouver, where they engaged in parades and other demonstrations. Mr. McGeer issued an order forbidding parades, declaring that a general strike to paralyze activities in Vancouver was the aim of the men. On Apr. 23, after disorders, including the invasion of business premises and the disruption of traffic, in which a number of police and demonstrators were injured and several arrests made, the Mayor read the Riot Act before some two thousand disturbers of the peace and threatened to have the Militia called out. He declared that relief camp men had been told by Communists that there would be a general strike in Vancouver which would be the beginning of a revolution to set up a proletariat dictatorship. A detachment of the R.C.M.P. was ordered from Regina to Vancouver. On May 16 (1935) further demonstrations occurred, participated in by some three thousand persons. The Mayor appealed to the Dominion Government to grant the strikers an allowance pending the disposal of their case. Two days later the demonstrators occupied the City Museum after parading through department stores, and the City agreed to give them two days' relief allowance, the Mayor stating that the disorders were in protest against the Dominion relief policy and again asking intervention from Ottawa. The Prime Minister of Canada, the Rt. Hon. R. B. Bennett, stated that the Dominion Government could not take action to enforce the law without a request from the Province. Mr. Pattullo's attitude had been that the matter was a Dominion responsibility, since the relief camps were maintained by that Government. At the end of the month the situation in Vancouver was relieved by the decision of the camp strikers to undertake an "on-to-Ottawa" march and their departure eastward by freight trains. They had maintained themselves in Vancouver largely by public collections.

This was not the end of labour disorders in Vancouver, however. On May 23, 1935, a waterfront strike occurred affecting about 100 men

engaged in coastwise shipping. They demanded wage increases. This strike was settled within a few days through the granting of concessions to the strikers, but early in June organized longshoremen became involved in a dispute with the Shipping Federation of British Columbia when they refused to handle a cargo they claimed was from an unfair port. On June 18, deciding on an attempt to dissuade from their work men handling cargo on Ballantyne Pier and finding access to the pier blocked by strong forces of police, they sought to force their way through. They were routed by the police who used tear gas and batons, many police and civilians being injured in a rough and prolonged struggle. After the encounter 17 persons were held on riot charges and the Mayor stated that the occurrence was the culmination of Communist agitation.

On Apr. 17, 1935, serious strike disorders had occurred at the colliery of the Corbin Coal Mines, Limited, at Corbin, B.C., in which forty persons were injured, including 16 police officers; later several persons were convicted on charges arising out of the disturbance. In July and August further trouble developed when men from relief camps attempted to make their way eastward by freight trains, resorting, in at least one case, to stopping a train by greasing the rails. About one hundred men from British Columbia were sentenced in Calgary during this period for riding on freight trains.

Early in his term of office Mr. McGeer effected a drastic reorganization of the Police Department of Vancouver, involving the suspension and dismissal of a number of police officials. Prosecution in certain cases followed, after a report had been received that crime had been countenanced in Vancouver. Later in the year, Mr. McGeer, who was also a Member of the Provincial Legislature for Vancouver-Burrard, resigned his seat in the Legislature to contest the constituency in the Dominion General Election of Oct. 14, 1935; his opponent was Mr. Arnold Webster (C.C.F.). In the original counting of the ballots Mr. McGeer was declared defeated but, subsequently, he was declared elected by a majority of six votes after a judicial recount.

Political Affairs of 1935—1936

The most notable political development of the year 1935 was the splitting up of the Co-operative Commonwealth Federation Party which, with seven Members, constituted the Official Opposition in the Legislature. At a Provincial Convention of the C.C.F. in July, 1935, a move was made to displace the Rev. Robert Connell from the Leadership but it failed; a Motion of want-of-confidence in him was defeated on a vote of 138 to 76. The Convention then proceeded to draw up a platform, the principal plank in which called for the socialization of finance and credit. The platform also proposed State operation of basic industries, State insurance and minimum prices for farm products. Dr. Lyle Telford, who had gained prominence in the Party by campaigning with a "plenty-for-all" slogan, was elected President. Shortly after the Convention Mr. Connell announced that he could not subscribe to the platform, especially the plank proposing socialization of finance, which he denounced as impracticable. He declared also that he was opposed to the Party's having dealings with Communists. The Provincial Council of the Party thereupon suspended Mr. Connell from membership and followed this action by expelling Members of the Legislature who supported him. Two Members, Messrs. J. Price and R. B. Swailes, were thus expelled and a fourth Member, Mr. Ernest Bakewell, resigned to support Mr. Connell. The four C.C.F. Members ignored a demand by the Presi-

dent (Dr. Telford) that they resign their seats. The Speaker of the Legislature recognized Mr. Connell as Leader of the Opposition. Mr. Connell proceeded to organize an Independent Socialist Party, declaring his adherence to constitutional methods and to the C.C.F.'s Regina Manifesto.

The Conservative Party in the Province held a Convention at Vancouver in June at which Dr. F. J. Patterson was named Leader in succession to the Hon. S. F. Tolmie, who had resigned. A platform was adopted which advocated: an aggressive mining development policy, including the additional use of silver and silver currency and a revision of the Securities Act for the removal of restrictions which hampered development of the mining industry; reduction in the size of the Legislature; aid to agriculture; and local control of education.

Advocates of Social Credit organized the British Columbia Social Credit Union, with the Hon. William Aberhart, Prime Minister of Alberta, as General Chairman, in November, 1936, and it was announced that the Union would contest the next Provincial Election, but the Union withdrew from politics a little later, leaving the field to the British Columbia Social Credit League which had been established in October, with the Rev. F. W. McKinnon as President.

The Executive of the Liberal Association met in Vancouver in July, elected Dr. W. F. Knox of Kelowna as President, decided to hold a Party Convention in June, 1937, and endorsed the record of the Liberal Governments at Ottawa and Victoria. During the year Mr. Pattullo toured nearly all parts of the Province by aeroplane.

Two By-Elections for the Legislature were held in 1936 and the Liberals carried both. On June 22 Mr. Mark Matthew Connelly (Liberal) was elected in the Electoral District of Omineca, which had been left vacant by the resignation of Mr. A. M. Manson who had contested the district unsuccessfully in the 1935 Dominion General Election, and had been subsequently appointed to the Supreme Court of British Columbia. In the Electoral Division of Vancouver-Burrard, vacated by Mr. G. G. McGeer (Mayor of Vancouver) who successfully contested the district in the Dominion General Election, an interesting By-Election contest took place with polling on Sept. 2. The Liberal candidate, Mr. J. H. Forester, strongly supported in the campaign by members of the Government, was opposed by Dr. Patterson, new Leader of the Conservatives, and Dr. Telford, Leader of the C.C.F. since the expulsion of the Rev. R. Connell. Mr. Robert C. Walker ran as a Socialist. The Liberal was elected, the vote being: Forester, 7,459, Patterson, 5,654, Telford, 7,072 and Walker, 45.

In May Mr. D. B. Plunkett, Member of the House of Commons for Victoria, died, and in the By-Election that followed Mr. S. Fraser Tolmie, former Provincial Prime Minister, who was the Conservative candidate, was returned. Mr. McGeer of Vancouver announced toward the end of the year that he would not seek re-election as Mayor.

The 1935 Session of the Legislature

The Second Session of the Eighteenth Legislative Assembly of British Columbia was opened on Feb. 12, 1935, by the Lieutenant-Governor, the Hon. John William Fordham Johnson. The Speech from the Throne noted a return of confidence and an improvement in business. It stated that unemployment remained the most pressing problem notwithstanding a reduction of about 12 per cent. in the number of persons on relief in the preceding few months. Improvement in the credit of the Province was noted and it

was anticipated that the lowering of interest rates would facilitate the refunding plan approved by the Legislature at the previous Session. It was pointed out that agricultural conditions had improved, with an upward trend in markets and prices. Lumber sales had increased and the mineral output had advanced 29 per cent., the latter improvement contributing to more profitable operation of the Pacific Great Eastern Railway. Power and mineral resources had been placed under reservation. It was intended to submit proposals to various sections of the people in connection with public health. No outstanding legislation for the Session was forecast. One new Member, Mrs. Dorothy Gretchen Steeves, who had been returned in a By-Election in North Vancouver occasioned by the death of Mr. H. C. E. Anderson, was introduced.

In moving the Address-in-Reply to the Speech from the Throne Mr. S. S. McKeen (Lib., Point Grey) advocated the creation of a permanent Department of Trade, revision of the fuel oil tax in favour of coastwise shipping, and the honourable meeting of the Province's financial obligations in order to preserve credit. Mr. W. J. Asselstine (Lib., Atlin) advocated, in seconding the Motion, the construction, at a cost of about $6,000,000, of a highway from Hazelton to the Yukon to open up rich mineralized areas. He favoured other measures to encourage mining.

In the Debate, the Rev. Robert Connell, Leader of the Opposition, regretted the failure of the Government to deal effectively with unemployment and he held that the impatience of the unemployed with lack of work was justifiable. The Debate brought various suggestions from other Members, among which were, that the municipalities should be relieved of social service costs, that a plan should be devised for the employment of young men in forestry work and highway construction, that the party system should be abolished in Provincial affairs, and that the salmon fisheries should be closed for a period of five years. Mr. McGeer (Lib., Vancouver) drew attention to the financial position of the City of Vancouver, the annual debt-carrying charges of the municipality being $3,000,000. He held that the question of interest had to be faced. The Debate closed with the adoption of the Address on Feb. 22.

One of the most contentious measures before the Legislature, which prorogued on Mar. 23, 1935, was a Bill providing for the construction by the Government of a toll bridge over the Fraser River at New Westminster at an estimated cost of $4,000,000. The Bill provided for the carrying out of the project by contract, the contractors to receive 7½ per cent. on $3,000,000. Five Liberal Members voted against the Bill on second reading. It was passed eventually. Another measure that produced a Debate was a Bill to continue the Special Powers Act of 1935 by which the Legislature vested certain of its constitutional powers in the Government while it was not in Session. The draft of a health insurance scheme was distributed to Members but no action was proposed on it during the Session. The Civil Service Superannuation Act, 1935, followed largely the fundamental principles contained in the original pension law with additional features.

An enabling measure in behalf of the City of Vancouver authorized the City to borrow $1,000,000 for a new City Hall and $500,000 for other purposes, and to omit Sinking Funds for two years. This legislation, the Prime Minister stated, would enable the City to carry on its operations. Vancouver matters occupied much of the time of the Legislature. Proposals in behalf of the City presented by Mr. McGeer to the Government or in Committees included a Provincial loan of $1,000,000, authority to

reduce interest rates on debt to 3 per cent. for two years and to suspend sinking fund instalments. Subsequently, the Prime Minister informed the Legislature that the Government could not approve of the proposal to defer interest charges. Mr. McGeer had taken issue with a Report on Vancouver finances made by Mr. Thomas Bradshaw of Toronto on the invitation of the Mayor and the suggestion of the City's bondholders. Mr. Bradshaw had advised deferring further capital outlay, collecting taxes in arrears, selling city bonds within the community and asking the Province to lend the City about $800,000. Mr. McGeer contended that these proposals would not solve the City's problem. He proposed to recommend to the City Council that interest payments should be reduced to 3 per cent.

Public Accounts, Estimates, the Budget, 1935

Public Accounts for the fiscal year ended Mar. 31, 1934, showed Revenue on Current Account of $19,527,543 and Total Revenue of $20,208,860 and Expenditure on Current Account of $19,081,920 and Total Expenditure (charged to Income) of $20,582,837.

Estimates for the fiscal year ending Mar. 31, 1936, placed Revenue on Current Account at $22,442,891 and Total Revenue at $22,493,891 and Expenditure on Current Account at $20,890,601 and Total Expenditure at $22,384,303. The Total Revenue was a little more than $3,000,000 above that estimated for the previous year and the increase was expected mainly from liquor profits, motor vehicle licences, the Gasoline tax and Fuel Oil tax, the Mineral tax, the Income tax and the Dominion subsidies. The estimated expenditure was about $775,000 higher than for the previous year, the increase being spread over various departments.

In the Budget Speech delivered in the Legislature on Feb. 27, 1935, by the Hon. John Hart, Minister of Finance, no new taxation was proposed. The Minister pointed out that large evasions of the Gasoline tax through what was known as bootlegging had been successfully dealt with by regulations. Large supplies of tax-free gasoline were purchased by boats and disposed of for uses not entitled to the tax exemption. Immediately after the enforcement of regulations during the previous October, revenues from the tax had increased and it was estimated that as a consequence the tax would yield an additional $500,000 a year.

Dealing with the financial position of the Province the Minister gave the Gross Debt as at Nov. 1, 1934, as $169,902,872, an increase for the year of approximately $3,000,000. He gave the Net Debt as $137,951,093, an increase for the year of $1,132,593. The value of Sinking Fund investments at the same date was $31,951,833, an increase for the year of $1,771,683. During the calendar year 1934, expenditure in the Province on unemployment relief (apart from the care of single fit men financed by the Dominion), amounted to $8,072,641 of which the Dominion contributed $2,690,175, the Province, $4,276,428, and the municipalities, $1,106,038; and, in addition, the Province spent on public works for the same purpose $611,000 out of a $1,000,000 loan from the Dominion. The total cost of unemployment relief up to December, 1934, was $34,828,248, of which the Province paid $16,513,772 (including $1,050,317 advanced to municipalities); the Dominion, $13,883,186, and the municipalities, $4,431,289. As from Aug. 1, 1934, the Dominion contributed to unemployment relief, $150,000 a month instead of one-third of the cost for organized municipalities and one-half the cost for unorganized municipalities, this change amounting to a reduction from approximately $3,135,000 a year to $1,800,000 a year in

the Dominion's contribution. The number of persons receiving relief (except single fit men) in the Province decreased by 14.1 per cent. from December, 1933, to December, 1934, but owing to more generous allowances the cost decreased by only 1 per cent.

The Minister stated that the total liability of the Pacific Great Eastern Railway to the Province amounted to $70,034,241 (including $20,160,000 of stock and bonds guaranteed by the Province) and that the road had an operating surplus of $124,646 for 1934 without allowance for interest due the Province.

Mr. Hart told the House that the Government hoped to secure the co-operation of the Dominion Government and the Bank of Canada in a refunding scheme and that the question would be on the agenda of a Dominion-Provincial Conference to be held during the year. The interest on the Gross Debt amounted to $7,935,231 at an average rate of 4.67 per cent. and the desire was to refund $127,000,000 (which excluded inscribed and registered stocks in London) on a 3 per cent. basis. It was also hoped to secure a redistribution of the tax field in order to relieve the municipalities. It was proposed to ask the Dominion to vacate the Income tax field, to discontinue taxation of gold and to authorize the Province to impose a Sales tax. The Dominion would also be asked to increase the subsidy payment to the Province (beyond the increased payment of $750,000 for the current year), to deal with unemployment relief on a national scale and to relieve the Province from the effect of trade barriers, perhaps by a zonal system. The Government intended to enter upon a programme of improvement in transportation facilities and to extend social and health services. The Minister stated that the Provincial credit had been re-established and that present revenues were sufficient to maintain public services at the present level but not sufficient to expand the services, pay for unemployment relief and assist the municipalities.

The Budget provoked much criticism, mainly on the ground of need for greater economy than that practised by the Government. Some of the Liberal Members supporting the Ministry joined in this criticism, calling on the Government to reduce expenditures. The Debate gave rise to a general demand for the abolition of Dominion relief camps in the Province. Some Members urged greater assistance to the municipalities, especially to Vancouver and Victoria in connection with their financial difficulties.

The Two 1936 Sessions of the Legislature

Two Sessions of the Eighteenth Legislative Assembly were held during 1936, the first from Feb. 25 to Apr. 1, and the second from Oct. 27 to Nov. 20. In opening the Third Session of the Eighteenth Assembly on Feb. 25, the Lieutenant-Governor, the Hon. John William Fordham Johnson, made appropriate reference to the death of His Majesty King George V and to the accession of His Majesty King Edward VIII. The House adopted a Motion for an address to His Majesty expressing sympathy in the death of King George and loyalty and devotion to his successor. A Motion was passed for an address of sympathy to Her Majesty Queen Mary.

The Speech from the Throne gave no outline of legislation to be submitted by the Government beyond a statement that legislation would be submitted dealing with some of the problems confronting the Province while with regard to other matters it was thought that it would be desirable

to call a Session in the Autumn when further information would be available. It was stated that there had been a steady improvement in business conditions. Reference was made to the Dominion-Provincial Conference of 1935 and it was felt that it would result in the placing of the Dominion and the Provinces in a more favourable position to function in their respective spheres. Resignations of their seats in the Legislature were received from Mr. A. M. Manson of the electoral division of Omineca and Mr. G. G. McGeer of the electoral division of Vancouver-Burrard.

The Address-in-Reply to the Speech from the Throne was moved by Mrs. Paul Smith (Lib., Burrard) who intimated that a State Health Bill would be introduced. In seconding the Motion for the Address E. T. Kennedy (Lib., Skeena) urged the creation of a separate Ministry of Mines, stating that mining had contributed $47,800,000 to the wealth of the Province during 1935, a gain of 13 per cent. In the second day of the Debate the C.C.F. Opposition submitted a want-of-confidence Amendment to the Address after the Rev. Robert Connell, Leader of the Opposition, had criticized the Government for failure to carry out their programme and for their lack of action on pressing matters. The Amendment was defeated, 28 to 13. Clive Planta (Ind., Peace River), who had supported the Government at the previous Session, took up a position with the Conservatives in opposition to the Ministry and proposed a reduction of the Legislature to 30 Members from 10 economic areas and also a Commission to investigate Oriental influences in the Province. Ernest Bakewell (C.C.F., Mackenzie) offered a strong plea for conservation of the forest and fisheries wealth of the Province. The Debate on the Address continued until Mar. 9 and during it the Government were subjected to considerable criticism. Mr. R. W. Bruhn (Ind., Salmon Arm) asserted that the C.C.F. was gaining strength in the Province because of the Government's ineptitude. He claimed that a Government proposal to delay By-Elections was an admission that they had lost public confidence. Other Members proposed a plebiscite on the Ministry's health insurance plan, abandonment of Party politics and socialization of mining. During the term of the Debate the House divided on a Resolution by R. H. Pooley (Unionist, Esquimalt) to the effect that an Autumn Session was not desirable; the Resolution was defeated 28 to 15, two Liberals voting for it.

The Prime Minister, Mr. Pattullo, concluded the Debate with a defence of the Government's course. He declared that it was impossible at the current Session to deal with refunding, municipal assistance and other matters but that the Government would be active in connection with them during the Summer. Some of them depended on decisions to be taken with regard to Dominion-Provincial relations. He answered criticism of delay in bringing on By-Elections by stating that early polling would disfranchise 14,000 people and that conferences at Ottawa also interfered with it. He said polling was probable for June.

Legislation: The Health Insurance Act

The outstanding legislation of the early Session was an Act providing for Public Health Insurance introduced by the Government. The measure proved to be highly contentious among the public of the Province as well as in the Legislature and before it was finally passed at the end of the Session the Ministry sustained a number of reverses in votes in the House. Protests against the plan began reaching the Government in considerable volume before its terms were announced. The Health Insurance Committee of the College of Surgeons and Physicians of British

Columbia made an early protest against the measure, claiming that it did not resemble the original draft plan of the previous year nor embody the principles laid down by a Committee of the Canadian Medical Association. As announced by the Hon. G. M. Weir, Provincial Secretary, the plan called for a public health insurance system under a Commission, starting with an initial grant of $50,000 from the Province. The plan was to cover all employees earning less than $1,800 a year, farmers and certain other persons enjoying private health insurance being excepted. The employee was to contribute 2 per cent. of wages received and the employer, 1 per cent. of his payroll, and mandatory benefits were to include medical care by the physicians or surgeons chosen by the insured, hospital care, laboratory services, medicines and a cash maternity benefit of $20. The Commission was to be authorized to pay doctors on a salary basis, on a *per capita* basis or on a fee method. Under either of the last two alternative methods of payment the doctor was to receive not less than $4.50 nor more than $5.50 a year for each insured person. The Minister stated that the plan would be available to about 125,000 employees and their families, some 300,000 persons in all, at a cost of about 40 cents a week to the wage earner. A delegation representing agricultural, business and industrial interests appeared before a Liberal caucus in advance of the introduction of the Bill and urged that it should be delayed on the ground that the cost of the plan would handicap these interests. Having introduced the Bill in the Legislature, the Hon. G. M. Weir defended it on humanitarian and economic grounds. It was provided that the Bill would not come into force until proclaimed and the Minister said it might require six months to set up machinery. As Debate developed it appeared that Liberal Members were divided in their attitude, some supporting the Bill, some opposing it, and others demanding modifications. The C.C.F. Opposition supported it. Five Liberals voted against second reading of the Bill, which was given on a vote of 28 to 10. The Health Insurance Committee of the College of Physicians and Surgeons of British Columbia urged delay with the measure and further actuarial investigation. After the application of the plan had been enlarged by Amendments to the Bill, the measure passed final reading on a vote of 29 to 14, those opposing it being seven Liberals, two C.C.F. Members, four Independent Members and one Unionist. In a final Amendment the $5.50 maximum of annual payment to the physician for each person insured under the scheme, was removed by a vote of 25 to 18 against the Ministry.

Another measure which provoked criticism before it was passed authorized an extension of the time in which pending By-Elections might be held beyond the constitutional limit. Most of the other legislation was of a routine or minor nature. Apart from the time spent on the Debate on the Address and on the Health Insurance Bill, most of the time of the House was occupied with the Budget.

The Autumn Session of 1936

At the opening of the second 1936 Session (the Fourth Session of the Eighteenth Legislative Assembly) on Oct. 27 the Speech from the Throne read by the Lieutenant-Governor, the Hon. Eric Werge Hamber, referred to the Vancouver Jubilee and to the fact that during the year the tourist traffic had been the heaviest in the history of the Province. Reference was made to the advancement of the young men's forestry training plan,

the organization work under the Health Insurance Act, the consolidation of certain school districts and the establishment of new courses of studies in the elementary and junior high schools, improved agricultural and employment conditions and to an increase in mining production. It was stated that legislation would be submitted in aid of municipalities, to abolish licence fees on individual fishermen and to extend the public works programme. Two new Members were introduced, Mr. Mark Matthew Connelly for Omineca and John Howard Forester for Vancouver-Burrard, both returned in By-Elections. These two Members were accorded the honour of moving and seconding, respectively, the Address-in-Reply to the Speech from the Throne. In the Debate on the Motion The Rev. Robert Connell, Leader of the Opposition, stated that Independent Socialists in the House who accepted his leadership after a split in the ranks of the C.C.F. would seek to build up an Independent Party in the Province. In the first division of the Session the Government were sustained, 34 to 6, in objecting to a want-of-confidence Motion calling for the appointment of a Commission to investigate the economic and social conditions under which Orientals engaged in agriculture and fishing. The Address eventually was adopted.

Apart from Budget legislation, one of the principal measures of the Session was a Bill sponsored by the Minister of Finance authorizing the Government to borrow $5,000,000 for public works on securities payable up to 1985 at interest rates not exceeding 5 per cent. Part of the money, if the loan were secured, the Prime Minister stated, would be used for a land settlement project in the Okanagan area. Before the Bill was finally passed it was charged in Debate that it was an example of governmental extravagance and in conflict with the Ministry's talk of debt refunding at 3 per cent. interest.

Most notable of the Sessional achievements was the passing of a measure authorizing the municipalities of the Province to refund their debts provided they secured the consent of holders of 51 per cent. of their securities. Also outstanding was legislation relieving the municipalities of social service costs to an amount estimated at $700,000 a year. Among other measures passed were Bills authorizing the establishment of sampling plants as an encouragement to small miners; authorizing the Workmen's Compensation Board to grant compensation to miners contracting silicosis; requiring that three or five judges should hear cases before the Appeal Court of the Province; and protecting Marketing Board officers from court action. During the Session an arrangement was effected with the Dominion Government for the provision of $1,500,000 for the care of transients in British Columbia.

Public Accounts, Estimates, the Budgets, 1936

Public Accounts for the fiscal year ended Mar. 31, 1935, placed Revenue on Current Account at $22,675,837 as compared with an Estimated Revenue of $19,471,791 and Expenditure on Current Account at $20,087,284 as compared with Estimated Expenditure of $20,339,987. In addition, there was an Expenditure on Capital Account charged to Income of $1,510,259. Public Accounts for the year ended Mar. 31, 1936, gave Revenue on Current Account as $25,622,341 as compared with Estimated Revenue of $22,442,891 and Expenditure on Current Account as $23,242,902 as compared with Estimated Expenditure of $20,890,601.

Estimates of Revenue and Expenditure for the fiscal year ending Mar. 31, 1937, as presented in the Legislature by the Minister of Finance

during the First Session of 1936 placed Revenue at $24,312,541, an increase of $1,768,650 from the Estimates for the previous year, and Expenditure at $24,192,594, an increase of $1,808,291. At the Second Session of 1936 the Minister presented Estimates for the fiscal year ending Mar. 31, 1938, which placed Revenue at $26,469,341 and Expenditure at $26,390,595.

In the Budget Speech of Mar. 11, 1936, the Hon. John Hart, Minister of Finance, placed the Gross Debt of the Province as at Nov. 1, 1935, at $179,508,768. Setting against this the value of the Sinking Funds, he computed the Net Debt at $145,851,833. With the exception of instalments in connection with inscribed stocks in London, no appropriations were made to the Sinking Funds during the year, with the result that the Funds were short on Nov. 1, 1935, by appropriations amounting to $7,575,159, the Minister stated, but he added that revenue-producing items in the Gross Debt more than offset this sum. The Minister placed the Debt of the Pacific Great Eastern Railway to the Province as at Mar. 31, 1935, at $79,818,626, which sum included guaranteed securities and interest advances on these securities. In the Budget Speech delivered on Nov. 6, 1936, the Minister placed the Gross Debt as at Oct. 1, 1936, at $180,309,467 and the Net Debt at $145,614,919. The net obligation of the P.G.E. Railway to the Province as of Mar. 31, 1936, was $83,263,592.

Full provision for fixed charges in connection with the Debt of the Province as at Nov. 1, 1935, involved interest payments of $8,179,819 and redemption provisions of $4,154,840, all interest being paid in full but redemption provisions being made only to the amount of $585,752. The Debt as at Oct. 1, 1936, involved interest payments of $7,689,897, paid in full, and redemption requirements of $4,100,700 of which only $585,752 was provided.

According to the statements of the Minister in his Budget Speeches expenditure on unemployment relief, exclusive of the relief of single fit men, during the year ended Dec. 31, 1935, was $11,009,611 of which the Dominion contributed $1,912,500, the Province, $5,200,932 in direct relief and $2,132,810 for public works to relieve unemployment, and the municipalities, $1,473,638. The Province lent to municipalities for municipal works $289,727. Commencing in December, 1935, the Dominion monthly grant for the relief of unemployment was increased from $150,000 to $262,500. The number of persons on relief in December, 1935, was increased by 0.93 per cent. from December, 1934, and the increase in the cost of relief was 11.42 per cent.

In his Budget Speech in November, 1936, the Minister of Finance stated that the numerical peak in unemployment in the Province occurred in March, 1934, when 108,287 persons received $791,392 in relief; the next peak occurred in February, 1935, when 96,530 persons received $740,111, while the peak month for 1936 was March, when 94,238 relief recipients received $802,879. In September, 1936, unemployment dropped to an all-time low figure, with 66,932 persons receiving $578,792. At the end of September, 1936, total expenditure on unemployment relief in the Province, exclusive of the cost of the care of single fit men which was provided by the Dominion, had reached $53,283,328, of which the Dominion had contributed $18,028,035; the Province, $27,391,881; and the municipalities, $7,863,411.

In the Budget Speech of March, 1936, the Minister had referred to the consideration given to the representations of the Province at the Dominion-Provincial Conference in December, 1935. The Province had asked that the Dominion should withdraw from the field of direct taxation

or compensate the Province for the invasion of that field, concede the Province authority to raise revenue by whatever means it deemed expedient as long as taxes did not interfere with interprovincial or international trade, and validate all Provincial taxes presently subject to litigation. He stated that the Dominion Minister of Finance had expressed willingness to initiate Amendments to The B.N.A. Acts which, in the main, accede to these proposals. Reference was made to the proposal for a loan council to supervise the borrowings of Provinces seeking a Dominion guarantee in connection with debt refunding.

A feature of the Budget of November, 1936, was the transfer from the municipalities to the Province of the former's share of the cost of certain social services—mothers' pensions, mental hospitals, industrial schools and the Tranquille Sanatorium—the amount involved for the fiscal year 1937-38 being estimated at $691,000. The Minister stated that Vancouver would benefit to the amount of $360,000, Victoria, $60,000, and New Westminster, $32,500. The municipalities were also benefiting to an amount of $521,000 through a reduction from 33⅓ per cent. to 20 per cent. in the proportion of unemployment relief payable by them, the Province passing on to the municipalities the benefit of the increase in the Dominion contribution. At an estimated cost of $81,000 the remaining depression deductions from the salaries of civil servants were discontinued. The Minister pointed out that debentures of $3,500,000 maturing on Mar. 31, 1936, had been paid out of cash surpluses.

Discussing general conditions the Minister stated that since 1933, 1,637 new companies had been incorporated with a total authorized capital of $312,044,320 and that there had been major developments in the lumber, mining and fishing industries. He attributed the influx of new capital to assurances by the Government that investments would continue to be regarded as sacred trusts. Any suggestion of repudiation or sympathy toward those who would jeopardize the credit of the Province or of private business had been carefully avoided and the credit position of the Province had been preserved. He alluded to a statement of Mr. Morris W. Wilson, President of the Royal Bank of Canada at Halifax, as reported in *The Halifax Herald* of Sept. 16, 1936, to the effect that British Columbia was first among the Provinces in Canada's march back to complete business recovery. Making some comparisons between 1936 and 1933 the Minister stated that forestry production had increased by $27,000,000 or 69.2 per cent., mineral production, by almost $20,000,000, agriculture, by $11,000,000 or 30.44 per cent., fisheries, by $5,000,000 or 45 per cent., tourist trade, by $14,205,000 or 162 per cent., the total increase in production by basic industries being $76,740,000 or more than 61 per cent. For the first nine months of 1936 bank deposits in British Columbia increased by 38 per cent. over the corresponding period of 1933, this comparing with 29 per cent. for the Maritime Provinces which had the next highest increase.

No change in taxation was made in either of the 1936 Budgets.

In the Budget Debate in March, 1936, Mr. Ernest Bakewell, Member for Mackenzie, speaking for the C.C.F. Party, advocated creation of a Provincial savings bank, consolidating and refunding of Provincial and municipal debts to the extent of $350,000,000 on a thirty-year 2 per cent. basis, Provincial control of municipal borrowings, a housing programme and increased income taxation. Mr. Frank Putnam (Lib. Nelson-Creston) suggested that if the Province did not secure the assistance required from the Dominion it might consider the idea of "going it alone". In the short Autumn Session the Budget Debate was restricted.

The Departments in 1934—36; The Economic Council

The Economic Council of British Columbia, of which Prof. W. A. Carrothers was Chairman, did important work for the Province from its establishment in 1934 until the end of 1936, reporting after study and research on a variety of economic questions, including Dominion-Provincial relations. The Prime Minister stated in July, 1936, that, as its work was finished, it was to be dissolved. In a report released by the Government in July, 1935, the Council had recommended that British Columbia should demand either a new national policy by the Dominion or compensation for its position in respect of internal and external trade. It held that the Province was prejudiced in its trade by Dominion policy. Buying most of what it consumed from Eastern Canada where factories enjoyed protection, it sold most of its own products in competition with the world. While through tariff protection eastern producers were able to maintain prices on goods sold to British Columbia, the producers of the Province, selling in world markets, were not able to resist falling prices. This disadvantageous position was largely responsible, the Council declared, for British Columbia's burden of public and private debt. During the life of the Council its research department made a number of reports, some of the more important of those submitted up to the end of 1936 dealing with: the problem of unemployed youth, land settlement in the interior of the Province, the question of jurisdiction as between the Dominion and the Province in social legislation, forest protection, trade with Japan, the barter terms of trade between British Columbia and Eastern Canada, Orientals entering the British Columbia labour market and the influence of the Canadian railway rate structure on the Province.

Education, 1935—36

Enrolment in the schools of the Province increased during the school year ended June 30, 1935, from 115,792 to 117,233 but decreased during the following year to 116,722, the percentage of regular attendance being 86.91 in the former year and 87.27 in the latter. In addition, enrolments in correspondence classes, night schools, adult educational classes, recreational and physical classes, normal schools, Victoria College and the University of British Columbia numbered 16,476 in the former year and 20,397 in the latter.

A Committee which had been appointed during the year 1934-35 to conduct a survey of the financial basis of education in the Province presented a Report in 1935 which was made public on Mar. 4. It recommended the gradual transfer of the cost of education from the municipalities to the Province. The cost of education was approximately $10,000,000 a year, of which the municipalities paid $7,000,000 and the Province $3,000,000. The Committee advised a number of taxation changes designed to finance the taking over of the responsibility by the Province. It also advised consolidation of school units. Some members of the Committee, while signing the Report, recorded objections to the financial proposals. A further Report, prepared by the technical adviser of the Survey, H. B. King, was made public in August, 1935. This Report recommended that as soon as possible the Province should take over complete financial responsibility for education with the exception of provision for interest and sinking fund charges; that to finance education a uniform Provincial tax on real property of from three to four mills should be established; that the tax on personal property in non-municipal

territory should be abolished; and that the Income tax should be increased from one to two per cent. It recommended also that the Province should be divided into educational areas, these to be administered by directors of education; and that capital expenditure should be conducted on the "pay-as-you-go" principle.

The University of British Columbia had a registration of 1,752 students for the year 1934-35 and 1,883 for the year 1935-36. In the former year changes in staff included the resignation of Prof. H. Ashton, Head of the Department of Modern Languages; the deaths of Prof. H. N. Thomson, of the Department of Metallurgy, and Prof. Wilfrid Sadler, Head of the Department of Dairying. In the year 1935-36 staff changes included the resignation of Prof. H. Vickers, Head of the Department of Mechanical and Electrical Engineering; and the death of Prof. Reginald W. Brock, Head of the Department of Geology and Dean of the Faculty of Applied Science. The Honorary degree of LL.D. was conferred in the year 1934-35 on His Excellency the Earl of Bessborough, Governor-General of Canada, and on Dr. John Pease Babcock, Chairman of the International Fisheries Commission; and in the year 1935-36, on Mr. Ernest Albert Cleveland, Chief Commissioner of the Greater Vancouver Water District, Mr. Harold Hibbert of McGill University, Sir Ernest MacMillan of Toronto, the Hon. Mr. Justice Denis Murphy of the British Columbia Supreme Court, Mr. R. L. Reid, K.C., of Vancouver, and Mr. David Thomson of the University of Washington, Seattle. In 1934-35 the University received bequests from the Carnegie Corporation of $5,000 for Library Book Endowment and $50,000 for adult education, from the Dr. J. M. Lefevre Memorial Fund of $5,000 for medal and scholarship in chemistry, and a bequest from the Dr. F. J. Nicholson Fund for scholarships in chemistry and geology. In the Autumn of 1935 the University inaugurated a system of adult education on a Province-wide scale and as the outcome of this, a permanent Department of Extension was organized. In October, 1935, a co-operative arrangement was effected whereby activities in bacteriology and preventive medicine of the University of British Columbia and the Western Division of the Connaught Laboratories of the University of Toronto were placed under unified direction. In May, 1936, the University celebrated the Twenty-First Anniversary of its opening.

Public Works, 1934—36

During the fiscal year 1933-34 the Dominion Department of National Defence took over, under agreement with British Columbia, the care of single homeless men in relief camps and commenced work on selected and approved highway projects. Highway work under this arrangement and by the Provincial Department of Public Works during the year included 56 miles of new construction, 260 miles of major reconstruction, 87 miles of new gravel surfacing and 219 miles of gravel renewal. In construction work the Department of Public Works was active in the fiscal year 1934-35, expending $1,078,515 on roads, bridges, buildings and repair of flood damage, exclusive of expenditure on maintenance. New road construction totalled 175 miles, major reconstruction, 193 miles, gravel surfacing, 232 miles, gravel renewal, 360 miles. During the year 1935-36 new highway construction totalled 83 miles, major reconstruction, 323 miles, new gravel surfacing, 158 miles, gravel renewal, 322 miles. Highway work included 258 miles of new bituminous surface. Work was started during the year on the new Fraser River Bridge at New Westminster. The Departmental Reports showed the peak numbers of men in National

Defence Relief Camps in the Province as 7,783 in 1933, 7,142 in 1934, 7,142 in 1935, and 6,005 in 1936.

Labour, 1934—36

Steady improvement in industrial conditions in British Columbia was shown in the Annual Reports of the Department of Labour. These Reports placed the total pay-roll of the Province at $113,567,953 for the calendar year 1934 (an increase of $14,441,300 over 1933), $125,812,140 for 1935, and $142,349,591 for 1936. The average weekly wage for male employees also rose steadily from $22.30 in 1933 to $23.57 in 1934, to $24.09 in 1935 and to $26.36 in 1936. The increase in employment during the period was indicated in the 1936 Report which stated that for realization of the full effect of the recovery in the Province the comparison between 20,076 wage-earners recorded in January, 1933, and 69,957 in December, 1936, was to be noted, these figures being only for the firms making returns in time to be classified and not including superintendents, managers or clerks, stenographers, salesmen, etc.

Under a re-registration of relief recipients, commenced in August, 1934, 41,692 applications had been received up to Dec. 31, 1934; 66,809 to Dec. 31, 1935; and 79,439 to Dec. 31, 1936. In December, 93,410 persons were receiving relief in 1934, 92,992 in 1935, and 75,812 in 1936.

Industrial strikes occurring in the Province numbered 17 in 1934, 23 in 1935 and 16 in 1936; the numbers of employees affected in the three years, respectively, being 4,427, 7,321 and 5,741.

Inspectors of the Board of Industrial Relations in British Columbia in 1936 made 10,245 inspections and as a result $60,173 was collected and paid to men and women who had not received wages in accordance with the requirements of the various Orders under which they had been working. Inspections in 1935 totalled 4,527 and collections, $42,683. In 1934 the sum of $3,210 was collected by inspectors for employees. The average weekly wage in 1936 for employees over 18 years, or experienced, was $15.19; for 1935, $14.96; and for 1934, $14.78. For those under 18 years, or inexperienced, wages in 1936 were $9.33; in 1935, $9.07; and in 1934, $8.45. The average working week in 1936 was 41.98 hours; in 1935, 41.79; and in 1934, 41.81.

Increasing industrial activity in the Province resulted in annual increases in the number of claims under the Workmen's Compensation Act, accidents numbering 22,354 in 1934, 26,280 in 1935, 29,677 in 1936. Of these accidents the numbers which were fatal during the three years were respectively 116, 146 and 168. During the 20 years that the Act had been in force to the end of 1936, 493,938 claims had been filed, an average of 24,697 a year. In 1935 the Act was amended to increase the minimum compensation from $5 to $10 a week except where wages were below $10. Workers earning between $10 and $16 were to receive $10 a week in compensation and those earning over $16 were to receive 62½ per cent. of their earnings. In 1936 silicosis was added to industrial diseases under the Act.

At the end of the fiscal year 1934-35 there were 9,016 Old Age Pensioners in the Province and pensions paid during the year amounted to $1,978,924. At the end of the following fiscal year the number of Pensioners was 10,011, and the amount paid out during the year was $2,240,915.

Total expenditures under the Mothers' Pensions Act were $621,502 in the fiscal year 1933-34, $589,622 in 1934-35 and $616,555 in 1935-36. The

decrease for 1934-35 was due mainly to a reduction in the allowance for children by $2.50 a month and the increase in the succeeding year was due in part to the restoration of this reduction and in part to an increase in the number of cases corresponding to the population increase.

Agriculture, 1934—1936

Agricultural production in British Columbia showed substantial increases each year during 1934, 1935 and 1936, according to the Reports of the Department of Agriculture. The total values of agricultural production for the three years, respectively, were $39,826,141, $42,419,992 and $46,669,735. The values for the three years, respectively, of the various classes of agricultural products were: live stock, $3,051,000, $3,379,057 and $3,808,012; poultry products, $3,246,000, $3,380,000 and $4,412,000; dairy products, $9,901,360, $11,667,804 and $12,100,152; fruits and vegetables, $8,867,197, $8,926,245 and $8,390,168; field crops, $13,158,000, $13,460,300 and $16,281,000; and miscellaneous, $1,602,584, $1,606,586 and $1,678,403.

Mines, Fisheries and Lands, 1934—36

Mining contributed increasingly to the wealth of the Province during the three years 1934 to 1936. Gold production accounted for the greater part of the improvement each year. Zinc and lead were also important. The improvement in the mining industry dated from 1933 and by 1934 conditions began to be stabilized. The number of men employed in the mining industry increased from 12,985 in 1934 to 13,737 in 1935 and 14,180 in 1936. The quantities and values of all mine products for the three years are shown in the following table taken from the Report of the Minister of Mines for 1936:

Mining Industry

Description	1934 Quantity	1934 Value	1935 Quantity	1935 Value	1936 Quantity	1936 Value
Gold, placer* ...oz.	25,181	$714,431	30,929	$895,058	43,389	$1,249,940
Gold, lode* .....oz.	297,130	10,250,985	365,244	12,852,936	404,472	14,168,654
Silver .....oz.	8,572,916	4,068,792	9,251,544	5,994,075	9,521,015	4,296,548
Copper .....lb.	48,084,658	3,567,401	38,791,127	3,023,768	20,806,672	1,971,848
Lead .....lb.	347,366,967	8,461,859	344,268,444	10,785,930	377,971,618	14,790,029
Zinc .....lb.	247,926,844	7,546,893	256,239,446	7,940,860	254,581,393	8,439,373
Coal, tons, 2,240 lb.	1,347,090	5,725,133	1,187,968	5,048,864	1,346,471	5,722,502
Structural materials.	.....	1,017,141	.....	1,238,717	.....	1,796,677
Miscellaneous metals and minerals	.....	952,662	.....	1,041,031	.....	1,646,396
Totals	.....	$42,305,297	.....	$48,821,239	.....	$54,081,967

*Canadian funds.

The Hon. Mr. Justice M. A. Macdonald of the Appeal Court of British Columbia, who had been appointed a Commissioner on Nov. 29, 1934, to inquire into and report upon the Coal Industry and the Petroleum Industry in the Province, presented to the Government a Report on the latter industry under date of Oct. 21, 1936. The Report on the Coal Industry was not completed until late the following year. Among the findings of the Commissioner in relation to the Petroleum Industry were the following: that there were four refineries in the Province, Imperial, Shell, Home and Standard; heavy fuel oil was the main object of the refineries, with gasoline secondary, heavy fuel oil being a rival of coal which the Province possessed in abundance; heavy fuel oil was sold at uneconomic prices and did not carry its fair load of costs, having, however, a net profit on crude oil; consumers of gasoline had for many years been paying excessive prices to enable oil companies to sell heavy fuel oil at a loss, equal to a bonus, to heavy fuel oil users; this

impaired the local coal industry; gasoline was sold and distributed by wasteful and extravagant methods and should be reduced in price in Vancouver to 18 cents a gallon inclusive of the 7 cents Provincial tax and should be cheaper in British Columbia than elsewhere in Canada; even with methods of distribution continued the price should be immediately reduced to 23 cents in Vancouver; when the Commissioner was appointed the price in Vancouver was 29 cents and reduction to 18 cents would mean a saving of at least $4,672,816 annually; retailing of gasoline should be independent of oil companies; by controlling all branches of the industry the companies were able to fix prices; the retail price of gasoline was set from time to time by the Imperial Oil Company (controlled by the Standard of New Jersey) and these prices were followed by other companies; as there were about five times too many retail outlets in the Province, with certain exceptions the sale should be confined to garages and independent service stations; unwarranted prices prevailed in outlying districts; prices charged fishermen and fruit growers constituted a handicap on their industry; of fuel oil consumed by railways in Canada 92.9 per cent. was consumed in British Columbia; a waiver and rebate clause in the Fuel Oil Tax Act allowed oil used in locomotives to escape the tax for a loss of $194,000 in revenue, a discrepancy between the quantity of fuel oil produced and imported and the quantity reported as sold suggested a possible loss of revenue of $101,000 under the tax; the dumping duty had been applied in an unwarranted manner to importations of gasoline and not applied as it should have been to importations of fuel oil; the tariff was taken advantage of by the companies and had the opposite effect of that intended; the oil industry, by its integrated nature, lent itself to monopoly and control practices.

According to the final Report of *Fisheries Statistics of Canada* the catch of all kinds of fish in British Columbia in 1936 amounted to 489,675,300 lb. and the marketed value to $17,231,534 as compared with 404,178,800 lb., having a marketed value of $15,169,529 in 1935. In 1934 the catch was 366,615,400 lb. and the marketed value, $15,234,335. The salmon catch for 1936 was 199,549,900 lb. and marketed value was $13,387,344 as compared with landings of 178,943,100 lb. and marketed value of $12,099,275, in 1935. In 1934 the catch was 165,990,000 lb. and the marketed value was $12,402,042. The increase in both catch and marketed value of salmon and herring was mainly responsible for the more favourable showing in 1936, although returns from a number of other fisheries helped to swell the total with larger landings and greater marketed value. The total capital invested in the fishing industry in British Columbia in 1936 amounted to $22,360,630 as compared with $20,890,825 in 1935 and $21,359,019 in 1934. There were 91 establishments in operation in 1936 and in 1935, employing, respectively, 17,989 and 17,030 people. In 1934 there were 99 establishments in operation and the total employees numbered 17,926.

The Annual Reports of the Department of Lands showed revenue from land sales, land revenue, operations under the Coal and Petroleum Act and sundry receipts as $238,286 in 1934, $217,822 in 1935 and $275,415 in 1936. The tri-party agreement of the Dominion, the Province and the municipalities for carrying out the relief land settlement plan of 1932 expired in March, 1936, and was not renewed. On Oct. 19, 1936, of 50 families placed on the land under the plan 33 were still on it, the 17 abandonments being due to failure, ill-health or death, and the securing of work elsewhere. It had been found necessary to supplement, in the

majority of cases, the $700 allowance per family for the three-year period under the plan.

British Columbia's water-borne lumber trade reached an all-time record in 1934 of 859 million board-feet, which compared with a pre-depression high of 801 million, the latter amount including 351 million feet sold to the United States, which country took in addition 300 million feet by rail. The Report of the Forest Branch of the Department of Lands pointed out that this increase in overseas sales did not compensate for the loss of the United States market. The sale of 456 million feet to the United Kingdom in 1934 was mainly responsible for the new record, being an increase of 68 per cent. from the previous year and 550 per cent. from 1929. British Columbia's share of the export of lumber from the Pacific Coast rose between 1929 and 1934 from 16 to 92 per cent. in the case of Australia, from 20 to 83 per cent. in the case of the United Kingdom, from 11 to 24 per cent. in the case of China, and to all markets from 20 to 54 per cent. In July, 1935, the Province lost, through the trade disagreement between Canada and Japan, the Japanese business which had reached 42 million feet, but despite this loss the total overseas shipments for the year were only 5 million feet under 1934. A new high record of 1,202,994 million feet was reached in water-borne export sales in 1936, accounted for largely by larger sales to the United Kingdom and South Africa. The Forest Branch attributed the improvement in trade largely to the work of the Lumber Trade Commissioners, supported by a large section of the industry and by the Provincial Government. The annual values of the production of forest industries, including loading and freight within the Province, were estimated for the three years as: 1934, $45,461,000; 1935, $56,941,000; and 1936, $72,010,000.

Health, 1934—36

The Report of the Provincial Board of Health for the year 1934 pointed to a marked and steady decline in infectious diseases and a falling off in the death rate therefrom. The improvement was attributed largely to preventive measures. There were upwards of 3,000 cases of scarlet fever. The Report stated that work in connection with tuberculosis was to be carried out under a new plan which would embrace the whole Province. Attention would be devoted particularly to educational measures and to providing trained personnel to deal with early cases. The Report for 1935 showed that general conditions of health were being maintained. A special branch of the Department had been created to deal with tuberculosis and increased facilities were provided. Additional clinics and travelling units were established. The 1936 Report emphasized the success attending the extension of preventive measures. The Provincial Health Officer, Dr. H. E. Young, stated that "one of the most wonderful advances in modern public health, as applied to what is known as the Health Units, has occurred in British Columbia". After years of preliminary work in effecting amalgamation of various municipal divisions around Vancouver, an organization was formed to embrace all the districts of the city and surrounding municipalities, thus bringing under immediate control 47 per cent. of the population of British Columbia. There were six centres presided over by departmental officers centred around the Chief Health Officer of Vancouver, with experts in food, water, and sewage, and advisory councils and voluntary organizations, fourteen municipal health boards being superseded by the new organization. The plan was

assisted by the Rockefeller Foundation after an examination by its officials.

The Report again stressed the progress being made in dealing with the problem of tuberculosis. The Tuberculosis Division had greatly extended and systematized its organization. At the end of the year there were 4,157 known cases of tuberculosis in the Province, 1,393 new cases being reported during the year and 592 deaths. The ratio of new cases to each death was 2.35 and of known cases to each death, 7.02. The Department was organizing along similar lines for dealing with venereal diseases. The Report pointed out that the tuberculosis programme of the Department included the total population of the Province with the exception of the Indians who were under the control of the Dominion Government. It was regretted that a programme similar to that for the rest of the Province was not applied to the Indians among whom the tuberculosis death rate was startlingly high—702 per 100,000 as compared with 52 for white peoples and 121 for Orientals. Among Indians 52.52 per cent. of all deaths were of persons under 20 years. A start had been made with the problem of rehabilitation of tuberculosis victims, a new building being under construction in Vancouver to be known as the Vancouver Occupational Industries in which chronically handicapped persons such as those suffering from tuberculosis could have opportunity of returning to their ordinary occupations.

Provincial Mental Hospitals had 2,960 inmates at Mar. 31, 1934, 3,080 in 1935, and 3,180 in 1936. During the year ended Mar. 31, 1934, 262 patients were discharged in full as recovered, improved, unimproved or not insane, the number of discharges in 1935 was 341 and in 1936, 263.

The Report of Vital Statistics for the year ended Dec. 31, 1936, gave the following:

Year	Births	Deaths	Marriages
1936	11,186	7,254	5,465
1935	10,987	6,927	5,020
1934	10,616	6,393	4,821
1933	10,013	6,236	4,698

The infantile mortality rate of the Province was 45.8 in 1933, 43.4 in 1934, 45.9 in 1935 and 43.9 in 1936.

On July 27, 1935, the Provincial Secretary, the Hon. G. M. Weir, appointed a Committee, with Dr. Allon Peebles of London, Ontario, a native of New Westminster, who had made extensive studies of State health matters, as Chairman, to lay before interested persons and groups of persons in the Province the plan for public health insurance which had been distributed at the 1935 Session of the Legislature. This Committee was instructed to analyse representations from the public and make recommendations for amendments in the plan. In November it presented its Report, which stated that with few exceptions those appearing before the Committee at hearings throughout the Province favoured the principle of health insurance. The health insurance plan as submitted to the Legislature in 1936 largely incorporated the recommendations of this Committee.

Municipal Affairs; Liquor Control Board, 1934-36

Dependence for much of their revenue on land taxes, with non-payment of a large part of these taxes, with land being unsalable in tax sales and coming into possession of the municipalities to effect reduction in

taxable assessments, constituted the basic financial difficulty of British Columbia municipalities during the years 1934 to 1936. Practising economy, the municipalities were making a successful effort to live within their income and capital expenditures and borrowings were being almost entirely deferred. Financial obligations were being met except in the case of municipalities in default from previous years, no new defaults occurring. The Annual Reports of the Department of Municipal Affairs noted slight improvement in the general position of the municipalities in 1935 and 1936 over previous years. Arrears of taxes for the 33 cities, 28 districts and 17 villages of the Province reached the high figure of $12,585,898 in 1934 but dropped to $12,060,610 in 1935 and to $9,623,651 in 1936. For the cities and districts sinking fund surpluses amounted to $639,892 in 1934, $853,585 in 1935 and $843,016 in 1936; and sinking fund shortages amounted to $7,648,656 in 1934, $8,719,274 in 1935, and $11,916,390 in 1936.

The Liquor Control Board of British Columbia for the year ended Mar. 31, 1935, had a profit on trading account of $2,400,042, with sales of $10,195,934, and with revenue from licences, a net profit of $2,448,042. For the year ended Mar. 31, 1936, profit on trading account amounted to $2,965,489, with sales of $11,169,436, and the net profit was $3,087,522.

The Province of British Columbia

(As at Dec. 31, 1936)

Lieutenant-Governor ..... The Hon. Eric W. Hamber

The Pattullo Ministry* (Liberal)

(As at Dec. 31, 1936)

Prime Minister, President of the Executive Council, and Minister of Railways	The Hon. T. D. Pattullo
Provincial Secretary and Minister of Education	The Hon. G. M. Weir, M.A., D.PÆD.
Attorney-General	The Hon. G. McG. Sloan, K.C.
Minister of Finance and Minister of Industries	The Hon. John Hart
Minister of Lands and Minister of Municipal Affairs	The Hon. A. W. Gray
Minister of Mines, Minister of Labour and Commissioner of Fisheries	The Hon. G. S. Pearson
Minister of Agriculture	The Hon. K. C. MacDonald, D.D.S.
Minister of Public Works	The Hon. F. M. MacPherson

Speaker of the Legislative Assembly ..... The Hon. H. G. T. Perry

Heads of the Administrative Services

(As at Dec. 31, 1936)

Deputy Provincial Secretary	P. Walker
Deputy Attorney-General	Col. Eric Pepler
Deputy Minister of Lands	H. Cathcart
Deputy Minister of Finance	H. N. Wright
Deputy Minister of Agriculture	J. B. Munro, B.S.A.
Deputy Minister of Mines	Dr. J. F. Walker
Deputy Minister of Public Works	A. Dixon
Deputy Minister of Railways	G. P. Napier
Deputy Minister of Labour	Adam Bell
Deputy Minister of Education	S. J. Willis, LL.D.
Deputy Minister of Industries	E. G. Rowebottom
Assistant to the Commissioner of Fisheries	G. J. Alexander
Comptroller-General	J. A. Craig
Deputy Minister of Municipal Affairs	E. H. Bridgman
Administrator of Unemployment Relief	E. W. Griffith

*NOTE.—For purposes of reference the changes which took place in the Cabinet up to Dec. 31, 1938, are given herewith: the Prime Minister relinquished the Portfolio of Railways, Mr. Pearson taking it over in exchange for the Portfolio of Mines; Mr. Gordon S. Wismer, K.C., became Attorney-General; and Mr. Hart kept only the Portfolio of Finance, Mr. William J. Asselstine becoming Minister of Mines and Minister of Trade and Industry.

THE PROVINCE OF NOVA SCOTIA

Economic and Other Affairs During 1935-36

The economic policy and programme of the Liberal Government of Nova Scotia during 1935 were based mainly upon the findings and recommendations of the Royal Commission of Inquiry which had been appointed by the Government in July, 1934, to inquire into the Provincial Economic Situation. The Commission had presented its Report in December. (See *The Canadian Annual Review, 1934,* p. 231). One of the findings of this Commission, commonly called after its Chairman, Prof. John H. Jones, was that the Province was entitled to a larger subsidy from the Dominion. This was realized early in 1935 when a Commission, which had been appointed by the Dominion Government to deal with the outstanding recommendations of the former Duncan Commission on Maritime Rights, awarded a subsidy increase of $425,000 to Nova Scotia. The Government's legislative programme placed before the Legislature which opened its 1935 Session on Mar. 10 was almost entirely in implementation of the Jones Commission's Report. It included statutory provision for the setting up of an Economic Advisory Council to advise the Administration on matters affecting industries and trade, the creation of a permanent civil service under a Commission, and a Department of Municipal Affairs, limitation of the hours of labour in certain industries, and furtherance of the tourist business, with the establishment of a National Park in the Province.

The entire programme was put through the Legislature; it was supported by the Conservative Opposition under the Leadership of the Hon. Gordon S. Harrington, former Prime Minister. Subsequently, nearly all the Acts were brought into operation. Application of the legislation regarding hours of labour in industry was deferred owing to the question of jurisdiction being before the courts. In furtherance of tourist business the Government proceeded with an extensive programme of highway improvement, including much hard-surfacing, and continued to negotiate with the Dominion Government regarding the creation of a National Park in Cape Breton Island until an agreement to this end was secured early in 1936.

Also in pursuance of the findings of the Jones Commission, the Provincial Government pressed the Dominion authorities for tariff modifications, particularly in respect of agricultural implements, automobiles, gasoline and lumbering supplies. They had the satisfaction of finding their objects in this respect achieved in part through the terms of the Trade Treaty between Canada and the United States, executed toward the end of 1935. At the Dominion-Provincial Conference in December, 1935, the Nova Scotia Government urged the need for revision of The B.N.A. Act after careful study, particularly in respect of the financial relations between the Dominion and the Provinces, and this question subsequently became the subject of negotiation between the Dominion and the Provincial Governments.

The Economic Council was appointed by the Macdonald Government on Dec. 22, 1935. The personnel was representative of various economic

interests; it was as follows: Dr. A. Stanley Mackenzie, member of the National Research Council and former President of Dalhousie University, as Chairman; Dr. A. B. Balcolm, Professor of Economics, Acadia University, representing education; Mr. F. W. Gray, Assistant General Manager of the Dominion Steel and Coal Corporation, representing mining; Mr. C. G. Hawkins, prominent lumberman, representing lumbering; Mr. Neil McAulay, President of the Plant Council of the Sydney Steel Plant, representing labour; Mr. O. F. Mackenzie, President of Halifax Fisheries, representing fishing; Mr. F. Waldo Walsh, of the Provincial Department of Agriculture, representing agriculture; Mr. Frank Stanfield, President of Stanfields Limited, representing manufacturing; Dr. Donald F. Macdonald, associate Professor of Geology at St. Francis Xavier University. Mr. Stewart Bates, Glasgow economist who had been with the Empire Marketing Board, was appointed permanent Secretary. The duties of the Council were to advise the Government with regard to the development of trade and industry.

Attributed in part to the policies and measures of the Government, improvement occurred in the general economic condition of Nova Scotia during 1935. Various phases of this improvement were noted in the Speech from the Throne at the opening of the Legislature on Mar. 10, 1936. While production in certain branches of agricultural activity was below the preceding year, advance in prices and favourable growing conditions gave an impetus to the industry. The income from the Nova Scotia apple crops was increased by about one million dollars, due to a favourable market and to improvement in packing; and after a trip to Great Britain to attend the Empire Parliamentary Association meeting the Provincial Prime Minister, the Hon. Angus Macdonald, reported a rising interest in the Old Country in Nova Scotia products, especially fruit. The Province produced nearly six million tons of coal during the year and the Government believed that a return to normal economic conditions would see the scope of the coal mining industry enlarged. They were continuing their efforts to extend the market in Central Canada for Nova Scotia coal. Gold mining operations also were increasing, 23 separate enterprises and 9 crushing mills being active, the value of the gold output increasing by nearly two hundred thousand dollars for the year. Zinc, lead and copper depositions were returned to operation through the investment of British capital and the Province's salt mines had a record tonnage. Weather conditions had hampered lumber production but the British market remained encouraging. The Government continued its contribution to the maintenance of a Timber Commissioner for Eastern Canada in London. The fishing industry was still suffering from restricted markets. The number of persons in need of relief in the Province decreased by 27 per cent. during 1935.

The improvement in general conditions continued through 1936. The Sydney steel plants were running practically at capacity and coal production was more active than for many years. The revival of gold mining had reached the point where production was twenty times that of five years before. Agriculture on the whole was in a healthy condition, although the apple crop was below the average and a heavy crop in the Old Country had curtailed the overseas market. During 1936 a loan fund for the re-establishment of needy fishermen was created through the contribution in equal shares of $200,000 by the Dominion and the Provincial Governments and the new Economic Council was giving special attention to the market problems of the industry. Lumber exports continued to rise, the markets of both the United Kingdom and

the United States taking increasing quantities of Nova Scotia spruce, this being attributed, in part, to the marketing efforts of the Provincial Government and the operation of the Trade Treaty with the United States. Tourist traffic was increasing. Over a three-year period the number of persons receiving direct relief had been reduced by over seventy per cent.

While there were no serious labour troubles in the Nova Scotia coal mining industry during 1935, certain minor disputes kept some mines idle for short periods and engaged the Provincial Government in mediation efforts. The principal trouble was a struggle for supremacy between rival union organizations at different points, the organizations being the United Mine Workers and the Amalgamated Mine Workers, a younger organization. Early in February violence occurred at Springhill, a number of organizers of the A.M.W. being expelled from the community by U.M.W. groups taking authority into their own hands. This occurred after a strike arising out of the dispute between the organizations had been in progress for two weeks, affecting pits of the Dominion Coal Company. An A.M.W. meeting hall was raided by rival unionists. The dispute at Springhill came to an end, after vigorous mediation efforts by the Hon. Michael Dwyer, Minister of Mines, on Feb. 10, when all but four of the A.M.W. men agreed to join the U.M.W. The A.M.W. leaders who refused to join were dismissed from their employment and took a protest to the Government at Halifax where Robert Stewart, Secretary of the A.M.W., was refused an interview with the Prime Minister on his declining to apologize for the action of his Union in consigning to the waste-paper basket a letter from the Hon. Mr. Macdonald. Similar disputes, without violence and of shorter duration, occurred at New Waterford in July.

Wage disputes threw some Nova Scotia coal mines into idleness for short periods in 1936. The most serious of these broke out at Glace Bay in August, arising out of a demand by some 200 "longwall" operators for a wage increase. Other miners numbering approximately 4,000 went out in sympathy with the original strikers, the Dominion Coal Company refusing to negotiate the issue while the mines were held idle by the strike. W. D. Morrison, District President of the United Mine Workers, declared that the strike was unauthorized and outlawed. Appeals for intervention to the Provincial Minister of Mines and to John L. Lewis, international head of the U.M.W., brought replies to the effect that the strikers should be guided by the advice of their local executives. After lasting for about ten days the strike was terminated by the men returning to work on an agreement that the grievance of the longwall workers should be investigated. A similar strike at New Waterford a few weeks later had only a short duration, the men accepting a Company offer of a compromise wage increase for longwall work. Some 400 miners from Dominion Coal Company's No. 24 mine at Glace Bay were idle for a few days in October, 1936, quitting work on the complaint that eight-foot cutting bars, which had been installed, placed too much of a load on the electric machinery and caused fires. Upon the intervention of the Minister of Mines the Company agreed to restore the use of six-foot cutters and the men returned to work. In the Amherst district about 150 miners were idle for some weeks late in 1936 over a wage dispute with the Victoria Coal Company.

One cause of trouble in some Nova Scotia coal mining districts was removed with the success of efforts begun in 1935 and continued into

1936 to bring together the rival U.M.W. and A.M.W. organizations. The merger of union forces was achieved largely through the efforts of D. W. Morrison, President of the District No. 26 U.M.W. Union, and Robert Stewart, Secretary-Treasurer of the A.M.W. An aftermath of the rivalry that preceded the amalgamation was a judgment given in September, 1936, by Mr. Justice W. L. Hall of the Supreme Court of Nova Scotia, awarding a total of some $4,000 in damages to five members of the A.M.W. for their blacklisting by officers of the U.M.W. during the Union disputes. Several matters of importance to Nova Scotia coal mining were under consideration at a Bi-annual Convention of the U.M.W. at Truro in October, 1936. In an address to the Convention Dr. D. F. MacDonald of Francis Xavier University, a member of the Economic Council of Nova Scotia, stated that work for thousands of men could be provided through the manufacture of by-products of coal in the mining district. The Convention adopted a Resolution aimed at the elimination of petty strikes. It provided that the mines should be kept in operation for thirty days after a dispute arose and was submitted for negotiation, the provision for operation becoming void if settlement had not been reached at the end of thirty days. The Convention went on record as favouring the establishment of a Labour Party in Nova Scotia. Proposals were made looking to the extension of benefits under the Workmen's Compensation Act and improvement in efforts against tuberculosis among miners. The Convention heard the Hon. Michael Dwyer appeal for a curtailment of strikes and tell of the efforts of the Provincial Government to improve employment conditions by extending the market for Nova Scotia coal.

On Mar. 6, 1936, a delegation representing Municipal Councils, Boards of Trade, Labour Organizations, industry and business from the coal and steel districts of the Province made representations to the Provincial Government looking to improvement in the coal and steel industries. The delegation advocated, among other things, continuation or extension of the freight subventions on Nova Scotia coal and tariff protection and efforts to extend markets. The Prime Minister (Mr. Macdonald) pointed out to the delegation that these matters already had the active attention of the Government. In May, Mr. Dwyer visited Central Canada in a campaign to promote the buying of Nova Scotia coal and met with considerable success. Toronto City Council, branches of the Ontario Government and a number of industrial firms decided, following his representations, to use the Nova Scotia product. He spoke of a potential market for eight million tons in Ontario. Mr. Dwyer made a further trip to Central Canada in September and in public addresses urged interprovincial trade in the national interest.

Low interest rates were secured by the Nova Scotia Government in public borrowing operations during the period under review. In August, 1935, the Province sold $3,800,000 of 15-year bonds at 3 per cent., the price being 98.57; this was a refunding operation, the Province having called £760,000 of 4½ per cent. bonds placed in England in 1914. The transaction effected a saving of $5,000 in interest. In November, 1935, the Province sold $7,000,000 of bonds, of which $3,000,000 were for five years at 2½ per cent.; these brought 99.61, and $4,000,000 for 12 years at 3 per cent.—the price being 96.61.

In November, 1936, a Royal Commission was appointed by the Nova Scotia Government to inquire into and advise upon the Province's 20-year-old Workmen's Compensation Act; complaints from labour organizations to the effect that the measure was inadequate had been frequent. The

Commission consisted of Mr. James A. Hanway, K.C., Chairman, Dr. W. D. Forrest and Mr. Howard Cunningham. At the opening of the Inquiry in Halifax on Nov. 26, representations were heard from the Halifax District Trades and Labour Council in which a number of changes in the Act were proposed. Among these were: increase in compensation from 55 to 66⅔ per cent. of average earnings, setting of $2,000 in place of $1,200 as the estimated maximum average earnings; increase from $6 to $12 in weekly compensation for total disability; increase in widow's allowance from $30 to $50 a month, and for dependent children, from $7.50 to $10; allowance to mothers of the same compensation allowed to widows; and allowance of $75 for funeral expenses in case of fatality. The Commission was told the number of industrial accidents for 1936 would reach 11,000. At a meeting at Glace Bay the district organization of the United Mine Workers presented a number of recommendations, among which were: inclusion of a representative on the Board, that provision should be made for appeal to the courts on questions of facts, that the list of diseases recognized by the Act should be enlarged, and that minimum compensation should be $12 weekly. At a meeting at Truro late in December, 1936, lumbermen complained that the burden imposed on industry by the Act was too great; that doctors' fees were too high; and that there were allegations that doctors worked in collusion with injured workmen.

Pursuant to the recommendations of the Jones Commission for the extension of electrical services in the Province, the Macdonald Government, in June, 1936, required the Nova Scotia Power Commission to undertake a survey, with a view to the greater provision of such services to rural sections of the Province.

The distress of Nova Scotia fishermen who had suffered losses from storms and other conditions was relieved somewhat in 1936 by the creation of the previously mentioned loan fund of $200,000, provided in equal parts by the Dominion and Provincial Governments. In July the Provincial Department of Labour announced that the fund would be expended on the basis of short-term loans to fishermen, no single loan to exceed $40. In some cases the loans would be made to fishermen's organizations but the individual loan maximum was retained. Any part of the fund not expended in this way would be distributed to the fishing counties to be available as loans to fishermen for the purchase of equipment and other purposes in connection with their operations. The loans were to bear interest at 3 per cent.

The most serious disaster in Nova Scotia coal mining in 1935 was an explosion on Apr. 16 in the Allan Shaft at Stellarton which took the lives of seven miners. On the same day a train wreck at Heatherton, N.S., took the lives of five men, the engine crew and three "blind baggage riders," when a Canadian National express train left the tracks. A storm took the lives of five Nova Scotia seamen on Sept. 24, 1935, when the Halifax motor vessel, *Hurry On*, sank off Cape Breton, seven of the crew of 12 escaping.

A notable event in Nova Scotia in 1935 was the celebration at the end of July of the 150th Anniversary of the founding of Sydney as the garrison Capital of Cape Breton. The extensively organized celebration lasted from July 29 to Aug. 4 and included numerous parades, pageants, military displays and other colourful ceremonies. In August, Digby and Annapolis held carnivals recalling three centuries of Nova Scotia history. In July, 1936, Yarmouth conducted a successful celebration of the 175th anniversary of its founding. Another anniversary that received much

attention was the 60th anniversary of the founding of *The Halifax Herald*, in May, 1935.

During 1936 the Prime Minister (Mr. Macdonald) was quite active in attendance at political demonstrations. He addressed large and enthusiastic Liberal gatherings at Annapolis Royal, Oxford, Baddeck, Barrington Passage, Lunenburg, Truro, Kentville and other places, reviewing the policies and performances of his Government, and pointing to the manner in which the Liberal Party's Election platform had been carried out.

In 1935 Col. Gordon S. Harrington, Leader of the Conservative Party in Nova Scotia, resigned that position to accept an appointment under the Conservative Government (Bennett) at Ottawa as Chairman of the newly-created Employment and Social Service Commission. In January, 1936, after about six months in the latter office, he resigned from it, operations of the Commission having been virtually suspended following the change of Government at Ottawa and the raising of a question as to the constitutionality of the legislation under which the Commission had been set up. At a Provincial Convention of the Conservative Party at Truro on July 14, 1936, Colonel Harrington was restored to the Leadership of the Party by unanimous decision. The post had not been filled following his resignation the previous year and at the Session of the Legislature early in 1936 he had functioned as House Leader. In accepting the Leadership again Colonel Harrington expressed confidence in the future of the Party and charged that the Macdonald Government had not carried out its Election promises.

In a By-Election for the Legislature in North Halifax on Mar. 2, 1936, Mr. Harold Connolly, the Liberal candidate, was elected by a majority of 2,902 over his Labour opponent, Mr. E. J. Rudge. The Conservatives did not nominate a candidate.

Moose River Mine Tragedy, 1936

One of the most stirring dramas in the annals of Canadian mining was enacted in April, 1936, and focused the attention of much of the civilized world on Nova Scotia for nearly two weeks. It was an epic of tragedy, endurance, death and heroic rescue, the story of which was followed eagerly for many days by millions of people as it was conveyed by newspapers and the radio.

On Apr. 12, three Toronto men, Dr. D. E. Robertson, Herman Magill and Alfred Scadding, were trapped by a cave-in at the 141-foot level of the Moose River gold mine at Moose River, Nova Scotia. Herman Magill had bought the mine only a short time before, after it had lain idle and abandoned for a long time. Scadding was timekeeper of the mine. The three men were down in the old workings for an inspection of the property and had just signalled for the lift to be taken to the surface when the cave-in occurred, snapping the cable of the lift, blocking the shaft and closing the only avenue of escape. At first it was assumed by those on the surface that the three men must have perished, but the following day smoke issuing from the depths of the mine was recognized by rescue workers as a signal that the men were alive. The cave-in had occurred about 11 o'clock on the night of Apr. 12 and forces of miners from nearby mines immediately began rescue efforts. When, on Apr. 14, a second cave-in occurred in an old shaft that rescuers were seeking to open, it was feared the entombed men could not be reached in time. Special machinery, including a large steam shovel, was rushed from Halifax for use in the rescue effort. The

Nova Scotia Government joined in the rescue work and a diamond drill was sent from New Glasgow. Specially trained miners were dispatched from the Ontario gold-mining districts to the scene. The disaster was the subject of discussion in the Nova Scotia Legislature, the Minister of Mines, the Hon. Michael Dwyer, giving assurance that no expense or effort would be spared to release the men. The Minister himself joined in the rescue work.

Hope of finding the men alive was almost gone when a little after midnight on Apr. 19 signals came from them through the diamond drill pipe which had been driven down to the 141-foot level. At first tappings on the pipe were heard and then men on the surface were able to speak briefly with those below. Alfred Scadding was heard saying that the three were alive and well. After Mrs. Robertson and Mrs. Magill had spoken to their husbands, stimulants and food were lowered through the pipe.

The following day Scadding's voice conveyed the word that Magill was dead. After the rescue of the other two it was learned that he had died of pneumonia which developed from exposure. Doctor Robertson had held him in his arms for hours trying to warm him. At the same time Scadding told that the shaft was flooding and that Doctor Robertson and himself did not expect to be able to hold out more than another ten hours.

On the afternoon of Apr. 22 rescue miners gained contact with the survivors and gave them stimulants, a barrier of only some ten feet of jumbled timber remaining to be removed before the men could be taken out. Shortly after midnight this barrier was passed and Robertson and Scadding were carried out of the mine on stretchers and the body of Magill was brought out. The rescue had been effected through a disused shaft in the face of warnings that the rescuers were risking their lives.

A feature of the rescue was the heroism and resourcefulness of a crew of draegermen, trained and dauntless mine rescuers, from Stellarton, Nova Scotia. They had risked their lives in working through a dangerous shaft to reach the entombed men and were acclaimed as national heroes. The Government of Nova Scotia announced that they would be decorated with medals and the Provincial Prime Minister declared that a cairn to commemorate their deeds would be erected at Moose River. Elsewhere in Canada a fund was raised by public subscription and later given to the rescuers.

His Majesty King Edward VIII sent a cablegram to the Governor-General of Canada expressing his admiration for the gallantry of the rescue. Messages of rejoicing and congratulations poured into Nova Scotia from many sources. The fund for the rescuers reached nearly $80,000.

Following discusssion in the Legislature, including charges by the Leader of the Opposition, the Hon. Gordon S. Harrington, of lack of inspection of the mine and other official neglect, it was announced in the Speech from the Throne at the closing of the Session on Apr. 24 (1936) that a full investigation would be conducted. A Commission of Inquiry, composed of Mr. Justice W. F. Carroll of the Supreme Court of Nova Scotia, and J. H. Cunningham, a mining engineer, was appointed. Evidence was taken by the Commission at Moose River, at Halifax, and from Doctor Robertson in Toronto. The manager of the mine, Felix Henderson, testified that he had issued warnings that those entering the mine

should be careful as he was aware that one part of the workings was without supporting pillars. He said Magill had been responsible for making arrangements with the Department of Mines as to the working of the mine but that he did not know whether the operators had received permission to do so. He testified as to having gone with Magill to the Mines Department in Halifax and discussed the operation of the mine with a clerk. Later, the Minister of Mines, the Hon. Michael Dwyer, testified that Magill had not been to see him and that he had no knowledge that the mine was being operated. James M. Wall, a Departmental clerk, testified that he had told Magill that as the requirements of the Department had not been met a proposed sale of the mine would not be allowed. Doctor Robertson in his evidence said that he had not purchased an interest in the mine but was considering doing so at the time he was inspecting it. The Inquiry became protracted and extended beyond the end of the year.

A sequel to the Moose River disaster was the death, a few days after the rescue, of one of the Stellarton draegermen who had risked his life in saving the entombed men. Joseph Campbell had gone back to his mine work at Stellarton and had been crushed to death.

Commissions of Inquiry, 1935 and 1936

On Nov. 13, 1934, the Macdonald Government appointed a Commission to inquire into all matters relating to production, transportation, processing, delivery, purchase and sale of milk and cream intended for distribution and consumption in, or for distribution from, the City of Halifax; and into the financial structure of companies engaged in the milk business. The Commission was composed of Prof. A. B. Balcom of Acadia University, W. J. Bird, Provincial Dairy Superintendent, and A. D. MacKay, farmer. In its Report, dated Jan. 10, 1935, the Commission acknowledged with regret that it had been unable to discover any means, ordinary or extraordinary, by which the situation of milk producers could be immediately improved. It rejected the view that dealers were reaping exorbitant profits that should be passed on to producers and also the view that unethical practices on the part of the dealers were resulting in losses which could be corrected and the benefits of correction passed on to the producers. The Commission recommended: co-operation among those engaged in the milk industry with emphasis on the public service nature of it; the organizing of associations in the industry as channels for the promotion of better understanding of its problems; co-operation of the industry with the health authorities to raise the standard of milk; adequate supervision and inspection; and expansion of the extension services of the Department of Agriculture among milk producers.

In July, 1933, the Harrington Government appointed a Commission to investigate and report upon Commercial Motor Vehicle Transportation within the Province. The Commission was continued by the succeeding Macdonald Government. The Inquiry was extensive and the Report was not made public until Mar. 17, 1936, when it was tabled in the Legislature. The Commission was composed of Robert T. MacIlreith, K.C., Chairman of the Public Utilities Commission of Nova Scotia, and Ira Percy Macnab, member of the same Commission. The Report was prepared by Mr. Macnab alone owing to his colleague's ill-health.

The Report found that private motor vehicles were paying their full share of the cost of highways in the Province, that farmers' trucks were not quite paying their share, and that commercial vehicles were not

paying anything like their share and, consequently, were in the position of being subsidized in their operations in competition with the railways. It recommended that all capital cost for the improvement of highways from 1928 should be chargeable to motor vehicle operation; that no attempt should be made to eliminate competition between motor vehicles and the railways; that farmers' vehicles used for the movement of their products should be licensed in a separate class from other vehicles; that commercial vehicles should be subjected to regulation as to the carrying of special lights; and that there should be a ten-hour day for drivers and a speed limit of 25 miles an hour. It was also proposed that the carrying of goods or passengers by commercial vehicles should be left open to competition under such statutory control as would guarantee that the operators were not bonused at the expense of the general public; that the carriers should have sufficient insurance or show evidence of financial ability to ensure safety of life and property and that vehicle licence fees should be determined by the method adopted by the Salter Committee which reported on transport matters in Great Britain. A table was attached showing approximately how this method would affect licence fees for various classes of vehicles in Nova Scotia. Pleasure vehicles would pay slightly lower licence fees while the fees of commercial vehicles would be heavily increased. For example, auto buses paying $374 in 1934 would pay $998, light trucks paying $124 would pay $222, heavy trucks paying $360 would pay $745.

The Report placed expenditure on highways in 1934 at $3,475,423. Of this, $367,913 was paid by a highway tax, and the Report held that the balance, $3,107,509, should have been paid by motor vehicles, whereas the actual revenue from that source was $2,317,121. It was recommended that farmers' trucks used for seasonal hauling of fruits, lumber and other goods should pay a special licence fee in this connection.

In tabling the Report, the Minister of Highways, Mr. MacMillan, stated that he intended to call a conference of truck operators. Following publication of the Report truck owners at meetings in Halifax and elsewhere passed Resolutions protesting against any increase in the licence fees.

The 1935 Session of the Legislature

The Second Session of the Fortieth General Assembly of Nova Scotia was opened on Mar. 5, 1935, by the Lieutenant-Governor, the Hon. Walter Harold Covert, K.C. The Speech from the Throne, delivered by His Honour, forecast a number of important measures. These included implementation of certain recommendations of the Jones Commission of Economic Inquiry, especially in respect of the appointment of an Economic Council to advise the Government in relation to the development of industries and trade within the Province; the free issue of school books for school grades, one to eight; the establishment of the eight-hour day in certain industries; the establishment of a permanent Civil Service; the creation of a branch of the Public Service to administer municipal affairs; the continuation of the policy of highway improvement, especially with regard to hard-surfacing; the establishment of national parks; assistance to agriculture, with special consideration for the removal of farmers on unprofitable lands to better lands. The Speech stated that the output of Nova Scotia collieries during the previous year had been the largest since 1929 and shipments to Central Canada had been the heaviest in the history of the Province. Activity in gold mining was also increasing, it was noted. The Govern-

ment, it was stated, proposed to make representations to the Dominion Government, in support of the recommendation of the Jones Commission, that the control of fisheries should be transferred to the Province with a Dominion grant for development and maintenance of an efficient administration. It was stated that the Department of Public Health had been extended to embrace Mothers' Allowances, Child Welfare, Old Age Pensions and the Nova Scotia Training School. During the first seven months of the operation of the Old Age Pension Board, 11,189 persons had received benefits amounting to over one million dollars. The Rockefeller Foundation had conducted a survey of public health in the Province and made valuable recommendations. Efforts were being made to encourage tourist traffic. It was noted that the Royal Commission, which had been appointed by the Dominion Government to consider the recommendation of the Duncan Commission for a revision of the financial arrangements between the Dominion and the Maritime Provinces, had, by a Majority Report, recommended an additional annual subsidy for Nova Scotia of $425,000. It was proposed to amend and consolidate The Provincial Electoral Franchise Act, The Companies Act, The Public Service Act, The Gasoline Licensing Act and other Statutes; to arrange for inspection of hotels and resorts; to provide for rebuilding certain Government office structures; and to introduce legislation authorizing the raising of funds for the redemption of debentures, aggregating £760,000 sterling.

The Address-in-Reply to the Speech from the Throne was moved by Mr. John D. McKenzie (Lib., Annapolis) and seconded by Dr. G. Murray Logan (Lib., Halifax Centre). Only the Hon. G. S. Harrington, Leader of the Opposition, and the Hon. Angus L. Macdonald, Prime Minister, took part in the ensuing Debate. Colonel Harrington expressed approval of virtually all the proposals contained in the Speech from the Throne but hoped that the Economic Advisory Council to be created would not prove to be a "junior brain trust." He favoured business men rather than men of academic pursuits for the body and he suggested that the Jones Commission had tended toward the free trade theory. He was critical of the Government on the ground of their assigning to themselves credit for benefits to the Province really due to actions of the Dominion Government. The Prime Minister's speech consisted mainly of an elaboration of the Government's programme as outlined in the Speech from the Throne. He hoped that the proposed Economic Council would assist in developing markets for Nova Scotia products. With the return of prosperity there would be an increased tendency towards migration from the Province and the Government sought to stem this movement with the creation of an Economic Council as one of the steps to that end. The Prime Minister denied that the Jones Commission had been composed of free traders. He discussed the Government's intentions in respect of labour legislation, improvements in the educational system and other matters. After the Prime Minister spoke, the Address was adopted.

Early in the Session the Prime Minister introduced the Bill for the creation of a permanent Civil Service. It provided that the Service should be under the authority of a one-man Commission and that it should be classified into four divisions: deputy ministers, executives, clerical and general. All appointments would be made by the Commission but the Government retained the power of dismissal. Colonel Harrington warned at the outset that should the measure be used as a cloak for political patronage it would be repealed upon a change of

Government. The Bill to establish an Economic Council was also introduced early in the Session. It provided for a membership of not more than fifteen, to be chosen from the ranks of business, industry and the professions. Its duties would be largely of an advisory nature and it would be authorized to investigate the possibilities of expanding trade and industry and to consider methods of utilizing the natural resources of the Province.

Other legislation forecast in the Speech from the Throne followed promptly. The Bill affecting hours of work in industry provided for a Board of Adjustment of three members headed by the Deputy Minister of Labour which would determine limitations of labour in certain industries, those specified in the Bill including mining, manufacturing, electrical generation and construction, certain classes of workers being excepted. The Bill was introduced by the Hon. Michael Dwyer, Minister of Labour. No arbitrary hours of labour were fixed. The Prime Minister introduced the Bill for creating a Department of Municipal Affairs in charge of a Commissioner who would have authority over the financial operations of municipalities. Similar, but more drastic legislation had been proposed by the former Government in 1932 but not proceeded with in face of opposition from the municipalities. A Bill to amend and consolidate the Nova Scotia Companies Act was designed to bring the various Amendments to the original Act into one measure and bring the legislation into conformity with the English Act. The Bill contained provisions governing prospectuses and balance sheets. On the introduction of this measure the Leader of the Opposition expressed satisfaction that something was being done to protect the public against stock manipulation and stated that a proposal of the Dominion Steel and Coal Corporation to issue new preferred shares of $25 par value and give eight such shares to holders of one share of existing preferred stock with a par value of $100 amounted to a stock-watering transaction. Colonel Harrington declared that the preferred stock of the corporation had risen from about $7 to $10 a share to $130 a share in expectation of the payment of deferred dividends. Some fortunes had been made thereby, he said. The Prime Minister deplored Colonel Harrington's statements. He did not know what the Corporation's financial plans were but had no doubt that they would be worked out in accordance with the Statutes, and he felt that suggestions of stock-watering encouraged people who always sought opportunity to bait a corporation. He pointed out that the corporation had recently increased wages.

Elaborate provisions for protecting forests and game were contained in a lands and forests Bill introduced by the Hon. Josiah MacQuarrie, Minister of Lands and Forests. The Bill proposed to abolish the post of Chief Forester, substituting for it one of Provincial Forester. Various safeguards against fire hazards were provided and persons responsible for starting fires were to be held liable for part of the cost of fire fighting. Hunting regulations were strengthened in the interests of game preservation. The Hon. A. S. MacMillan, Minister of Highways, sponsored a Bill designed to promote highway safety. Among numerous provisions were requirements that drivers of automobiles should stop at the scene of accidents in which they were involved and should permit other drivers to pass them on signal. Owners would be held responsible for damage done through the negligence of a relative or employee. Mr. MacMillan also sponsored a Bill designed to encourage tourist traffic through the creation of a Tourist Advisory Council, giving the Minister control of all tourist publicity, and the regulation of tourist camps. Another of the

measures promised in the Speech from the Throne was presented in a Bill providing for the acquisition by the Province of 256,000 acres of land for the establishment of a national park.

These and other measures were passed, including the proposed measure for broadening the educational system and important changes in the Statutes governing the franchise and elections. The most contentious of the Government's Bills proved to be that for regulating conditions of labour in industries, the Leader of the Opposition protesting because it did not establish the eight-hour day.

In closing the Session on May 11, His Honour the Lieutenant-Governor stated that it would be memorable for having seen the initiation of measures for the economic development of the Province, consequent upon the Report of the Inquiry instituted the previous year by the Government. In referring to the important legislation of the Session he mentioned particularly the Amendments to the Companies Act, the provision for a permanent Civil Service, the Act creating a Department of Municipal Affairs, the tourist traffic measure and the labour legislation.

Public Accounts, Estimates, the Budget, 1935

Public Accounts for the fiscal year ending Sept. 30, 1934, as tabled in the Legislature on Mar. 8, 1935, by the Hon. Angus L. Macdonald in the capacity of Provincial Treasurer, showed Revenue of $8,014,619 and Expenditure of $9,143,786, leaving a Revenue Deficit of $1,129,167 before charging Sinking Fund instalments. Mr. Macdonald stated that the Deficit was $5,000 less than had been estimated. In a statement made on presentation of the Public Accounts Mr. Macdonald pointed to the Province's need of extended sources of revenue and in this connection he believed that the time had come for a revision of The B.N.A. Act. The Dominion must either give the Provinces a larger field of taxation, increase their grants or assume the burden of modern government.

In 1935 the Province of Nova Scotia changed its fiscal year to have it end on Nov. 30 instead of on Sept. 30 and, consequently, the financial Estimates presented to the Legislature during the Session of 1935 were for the fourteen-month period ending Nov. 30, 1935. Ordinary Revenue was estimated at $10,218,330 and Ordinary Expenditure at $10,893,037, the Estimated Revenue Deficit before charging Sinking Funds being $674,707. The Estimated Revenue included an amount of $283,000 as anticipated increase in the Dominion grant as from Apr. 1 in accordance with the Recommendation of the Commission which had inquired into the financial relations of the Dominion and the Province. Other increases over the previous Estimates were due to the extended period and to natural expansion in Revenue. No new taxes were involved.

In his Budget Speech on Mar. 28 Mr. Macdonald stated that but for the cost of Old Age Pensions, $734,000, and the increased cost of the School Book Bureau, $136,000, the Government would be within $21,000 of balancing the Budget in the Estimates presented. He promised that they would continue to strive toward a balanced Budget, as after twelve successive Deficits it was necessary to improve the financial position of the Province. Later in the Session Estimates of Capital Expenditure amounting to $6,308,023 were presented.

Financial affairs were the subject of extended debate during the Session. The Debate arising out of the presentation of the Budget began on Apr. 1, with Mr. J. H. Thomas (Cons., Colchester) offering the initial criticism for the Opposition. He maintained that the Macdonald Ad-

ministration had broken faith with the people in increasing expenditure and the extraction of taxes. He believed that the Government had not set aside a sufficient amount for sinking funds. Continuance of the financial course of the Government, he declared, would result in bankruptcy. Taking the opposite view, Mr. Gordon B. Isnor (Lib., Halifax North), saw encouragement in the Government's having budgetted for a saving of $400,000. Continuance of such savings would lift the Province out of its difficulties. Early in the Debate Dr. W. W. Patton (Cons., Cape Breton W.), discussing Health estimates, caused a flurry by alleging that no doctor was in attendance at the Tuberculosis hospital in Sydney who was capable of determining the line of treatment for tubercular patients.

On Apr. 3, Colonel Harrington moved a want of confidence Amendment to the Budget Motion and accompanied it with an extended attack on the record of the Administration. He stated that the former Government's average Deficit had been $892,000 while that of the Liberal Government was $1,276,000. He charged that the Province was being driven into debt at the rate of more than $100 an hour. As the Debate developed bitterness, a clash occurred between the Hon. Percy C. Black, former Conservative Minister of Highways, and the Hon. A. S. MacMillan, his Liberal successor. Interpreting statements of Mr. Black as a suggestion that there had been collusion between the Minister and an oil company, Mr. MacMillan denied that he had ever been in collusion with anybody and followed this by charging that when Mr. Black was in office he had intimated to contractors that they could not get contracts unless they contributed to the "slush fund" of the Conservative Party. Mr. Black denied the charge. Mr. MacMillan stated that the former Minister could have an investigation of the charge if he desired it but the suggestion secured no reply from Mr. Black.

Closing the Budget Debate on Apr. 5, the Prime Minister replied to Opposition charges. He said that the Harrington Administration had put the Province into debt at the rate of $185 an hour. Mr. Macdonald went back to the Duncan Commission investigation and revived the claim that the Hon. E. N. Rhodes had advised at the time that the Commission had better keep away from the tariff or it would get nowhere. No denial of this had come from Mr. Rhodes until 1930, he said. (The Leader of the Opposition earlier in the Debate had repudiated the claim.) Mr. Macdonald alleged that the Conservative Government at Ottawa in 1934 was opposed to the setting up of the Jones Commission by the Provincial Government, and that a Western judge had been refused leave by the Department of Justice to act on the Commission. The Opposition no-confidence Amendment was defeated on a straight Party vote and the Budget Resolution was adopted.

The 1936 Session of the Legislature

In opening the Third Session of the Fortieth General Assembly of Nova Scotia on Mar. 10, 1936, the Lieutenant-Governor, the Hon. Walter Harold Covert, K.C., referred to the general sorrow occasioned by the death of His Majesty King George the Fifth and to the accession of His Majesty King Edward the Eighth, and the House passed Resolutions, moved by the Prime Minister and seconded by the Leader of the Opposition, providing for an Address of sympathy and loyalty to the King and an Address of sympathy to Her Majesty Queen Mary.

The Speech from the Throne contained an extensive review of public events and conditions in the Province in 1935 (See Introduction). It referred to the development of education in the inauguration of the policy of free school books and to the increasingly higher standard of the teaching profession. It spoke of steady progress in public health, including a further substantial reduction in the death rate from tuberculosis and increased efforts by the Health Service to combat the disease. Reference was made to the benefit resulting from the Old Age Pensions system. The question of amending The B.N.A. Act was mentioned as one of the most important subjects discussed at the Dominion-Provincial Conference during December, 1935. It was stated that initial steps had been taken for the establishment of a Department of Municipal Affairs as provided for in legislation of the previous Session. In view of the Reference to the courts of the question of jurisdiction in labour legislation, action had been withheld under the Limitation of Hours of Labour Act of 1935. It was stated that legislation would be submitted to consolidate and amend the constitution, powers and privileges of the House, and to amend The Succession Duties Act, The Education Act, The Workmen's Compensation Act, The Coal and Mines Regulation Act, The Children's Protection Act and The Gasoline Licensing Act.

Mr. G. E. Romkey (Lib., Lunenburg) moved the Address-in-Reply to the Speech from the Throne and it was seconded by Mr. Harold Connolly (Lib., Halifax N.), both Members speaking in praise of the Macdonald Government. Mr. Romkey made a plea for consideration of the fishing interests of his community and Mr. Connolly urged that an effort should be made to restore activity to the Port of Halifax.

A principal feature of the brief Debate which followed was a proposal by Colonel Harrington, Leader of the Opposition, that the Province should urge that a specific Amendment to The B.N.A. Act should be obtained at Westminster to permit the Dominion to embark upon a comprehensive programme of social legislation. He advocated this course in place of the plan considered at the Dominion-Provincial Conference for changing the method of amending the constitution. His proposal, he contended, would expedite the inauguration of social measures, among which he mentioned unemployment insurance, health and accident insurance, maternity benefits, widows' pensions, old age pensions and invalidity pensions. He considered it would be dangerous to give the Dominion full power of amendment to the constitution. The current negotiations between the Dominion and the Provinces regarding constitutional amendment meant delay. Colonel Harrington said that he was prepared to offer his proposal either as an amendment to the Address or by way of a separate resolution, as the Prime Minister might prefer. The proposal was presented as an amendment, which regretted that the Speech from the Throne had failed to indicate that the Government had proposed or consented to such a course as he, Colonel Harrington, was proposing. The Government opposed the Amendment. The Attorney-General, the Hon. J. H. MacQuarrie, interpreted it as a proposal that the House should censure the Government for not disclosing their stand at the Dominion-Provincial Conference on which they were bound to secrecy. He condemned it also on the ground that the question of jurisdiction was before the courts and the whole matter was the subject of negotiations between the Dominion and the Provinces. The Amendment was defeated on a vote of 18 to 6 and the Address was adopted. The only other speaker in the Debate was the Prime Minister who held that the

position taken by the Government in the matter of amending the constitution was the proper one. He placed the blame for delay in the settlement of the question of jurisdiction in social legislation on the Rt. Hon. R. B. Bennett who had refused to refer it to the courts. Mr. Macdonald said that although the Province's limitation of hours of labour legislation was not being enforced, pending settlement of this question, it already had had the effect of securing the eight-hour day in certain industries.

The Session lasted until May 2. Apart from Budget matters, the principal business of the Legislature included: provision for carrying on the highway improvement programme of the Government, $6,000,000 of Capital borrowings of the $7,772,000 provided being for highway expenditure, much of it for hard-surfacing; a grant of $100,000 to supplement a similar amount from the Dominion Government for the re-establishment of needy fishermen; confirmation of an agreement between the Dominion and Nova Scotia Governments for the establishment of a National Park in Cape Breton Island, a project long discussed; strengthening of the Succession Duties Act to prevent evasions through family gifts and the creation of family estate corporations and to increase the tax on large estates; levying of a one-cent-a-gallon tax on fuel oil; prohibition of the use of slot machines; strengthening of the legislation governing highway regulation and offences of motor drivers; and enactment of additional safeguards for investors in securities, including a requirement that companies issuing stock must register statements with the Provincial authorities. Early in the Session the Hon. Michael Dwyer, Minister of Mines, introduced a Bill to permit men with technical training only to qualify as mine managers, but this produced a storm of protests from miners and was withdrawn. A plan was announced during the Session by the Hon. J. H. MacQuarrie, Attorney-General, for exchanging Nova Scotia deer for Newfoundland caribou and stocking Cape Breton Island with the latter and with moose.

During the Session a Special Committee of the House considered the question of redistribution and at the end of the Session presented a Report favouring an increase in the membership from 30 to 35 but proposing that further study should be given the matter at the next Session. The Agricultural Committee passed a recommendation for tubercular tests for cattle.

The Education Committee gave serious consideration to the Provincial school system but made no recommendations. It heard a number of complaints against a textbook, "The Story of Civilization," used in the schools, some Members protesting that it had not been sufficiently examined by the Department before being adopted. Dr. Frank Baird of Pictou was the spokesman of a vigorous protest against the use of the book which he claimed taught theories which had been discredited. It was intimated to the Committee by Dr. H. F. Munro, Superintendent of Education, that the book would be revised.

The final days of the Session were featured by a Debate arising out of the Moose River mine disaster, the Leader of the Opposition alleging negligence on the part of Government officials in respect of inspection requirements and that the mine was operated without a licence. The Prime Minister stated that the Government had no knowledge of anything irregular in connection with the matter. In the Speech from the Throne at the close of the Session it was announced that a full investigation would be conducted.

Public Accounts, Estimates, the Budget, 1936

Public Accounts presented in the Legislature on Mar. 16, 1936, by the Hon. Angus L. Macdonald in the capacity of Provincial Treasurer were for a period of 14 months, from Sept. 30, 1934, to Nov. 30, 1935, this being due to the Province having changed its fiscal year to have it end with November instead of with September, as formerly. They showed Total Revenue for the period of $10,640,860 and Total Expenditure of $11,538,575, leaving a Deficit of $897,715, which was $142,518 less than the Deficit estimated the previous year. On a twelve-months' basis the Deficit would have been $769,000.

In presenting the Public Accounts Mr. Macdonald pointed out that this reduction was in line with the effort of the Government to wipe out the Deficit which, in two years, had been reduced by half. He stated that the Funded Debt of the Province was $82,000,000. He hoped that the Province was approaching the time when borrowing could be stopped. Certain borrowings would be necessary for the completion of the highway programme. Two new loans, aggregating $7,000,000, had been effected in November at rates of 2½ per cent. for 5-year bonds and 3 per cent. for 12-year bonds. Loans of approximately the same total had been refunded during the year at a rate of 3 per cent. as compared with 4½ per cent. and 5 per cent. previously paid.

On Mar. 20, Mr. Macdonald presented the Financial Estimates for the fiscal year ending Nov. 30, 1936. Ordinary Revenue was placed at $9,998,883 and Ordinary Expenditure at $9,983,986; and provision for Sinking Funds at $376,088, leaving an Estimated Deficit of $361,191. Mr. Macdonald observed that since this Estimated Deficit was more than $400,000 below the last Deficit it should be regarded with satisfaction.

Accompanying the Estimates with his Annual Budget Speech Mr. Macdonald stated that he hoped to submit a balanced Budget the next year, which would be the first balanced Budget in 14 years. In the Debate on the Budget and in discussion of the Estimates by Departments, Opposition Members charged that the Government were not fulfilling their promises of financial economy. In connection with the Department of Health Estimates there was Opposition criticism to the effect that the Government sold coal from the Government-operated Inverness mine to dealers and bought it back for Government institutions at a profit to the dealers. Ministers replied with assurances that there was nothing irregular in the purchases of coal, much of which was bought from small mines.

Provincial Education: 1934—1936

In the year 1933-34 expenditure on education in Nova Scotia, according to the Report of the Department, increased $44,917 to $4,285,329, there being increases from the three sources, Government, Local Boards and the Municipal Fund. The total amounted to $8.36 per head of population and $45.93 for each pupil in average daily attendance. The following year the expenditure was $4,254,606, and the year after that it was $4,221,365. Reports for the years 1933-34, 1934-35 and 1935-36 give respectively the following figures: Number of school sections—1,760, 1,764 and 1,758; schools in operation—3,268, 3,286 and 3,320; number of teachers in public schools—3,564, 3,649 and 3,659; total number of pupils in public schools—117,839, 116,798 and 116,888. During these years, in his Annual Reports, the Superintendent of Education was advocating larger school units. He was also pursuing the policy of raising the

qualification standards of teachers. In his Report for the year 1935-36 he outlined a programme of improvement in Provincial education which proposed, among other things, increased attention to health, larger school units, minimum salaries for teachers, increased library facilities, vocational high schools, extension of household science teaching, extension of extra-curricular activities, beautification of schools, increased use of radio, and a programme of adult education.

Enrolment at Dalhousie University, Halifax, for the 1934-35 Session was reported as 813, including King's College students (65) and women students (187); and for the 1935-36 Session, as 855, including King's College students (53) and women students (159). Degrees conferred at the close of the Sessions of 1934-35 and 1935-36 were 180 and 192, respectively. The Honorary degree of Doctor of Laws was conferred, May 12, 1936, on Mr. George Moir Johnstone Mackay, Director of Research for the American Cyanamid Companies. At a Special Convocation on Aug. 19, 1936, during the time of the Annual Meeting of the Canadian Bar Association, the Honorary degree of Doctor of Laws was conferred upon four distinguished members of the Bench and Bar of Great Britain and Canada; the recipients were: the Rt. Hon. Lord Thankerton of Thankerton, Lord of Appeal in Ordinary, London; the Rt. Hon. Sir Lyman Poore Duff, Chief Justice of Canada; the Hon. Sir Joseph Chisholm, Chief Justice of Nova Scotia; and Mr. George H. Montgomery, President, the Canadian Bar Association. Bequests to the University during the two seasons were: $36,056 in 1934-35 and $36,728 in 1935-36. The President of the University, Dr. Carleton W. Stanley, in his Report for 1934-35 drew attention to the new Honours Course in Modern Languages and History. In his Report for 1935-36, when speaking of the final establishment of the Institute of Public Affairs at Dalhousie after a deliberation of two years, he declared that hitherto "no Canadian university has consciously set itself to give a special training for those of its students who look ahead to the Civil Service, or to direct participation in government of municipalities or provinces . . . strange as it may seem, Canadian universities have rarely set themselves to do field work in Canadian governmental problems, municipal, provincial, federal. (Individual students and professors have, of course, done this.) And finally, up till now, virtually no Canadian university has conceived the idea of ranging itself with municipal and other associations for good government to promote mutual co-operation and assistance. All these three things Dalhousie University will now try to do."

Acadia University, Wolfville, reported net enrolment for the two sessions, 1934-35 and 1935-36, as 450 and 509 respectively. At the 97th Annual Convocation in May, 1935, a total of 105 degrees and certificates were presented. The Honorary degree of Doctor in Divinity was conferred on the following: the Rev. Gordon Payzant Barss, Wolfville, N.S.; the Rev. Brice David Knott, Saint John, N.B.; the Rev. Miles Franklin McCutcheon, Montreal; and the Rev. Joseph Novotny, East Orange, N.J. The Dean of Dartmouth College, Hanover, N.H., received the Honorary degree of Doctor in Civil Law. In May, 1936, at the 98th Annual Convocation, a total of 104 degrees, 7 certificates and 16 diplomas were presented by the President, the Rev. F. W. Patterson. The Honorary degree of Doctor of Divinity was conferred on the Rev. J. A. Glendinning, of India; on the Rev. W. A. White, of Halifax; and the Honorary degree of Doctor of Letters, on (Mrs.) Mary Alberta (Parker) Tretheway, Roslindale, Mass.

At the Commencement exercises of the University of Saint Francis Xavier, Antigonish, on May 15, 1935, forty-one degrees were conferred by the Most Rev. James Morrison (Chancellor). Twenty-four students graduated in Science; sixteen, in Arts; and one received the degree of M.A. The President-Rector of the University, the Rev. H. P. MacPherson, D.D., described the progress of the Extension Department under the direction of the Rev. M. M. Cody, D.D., particularly a survey then under way. Members of the Faculty who were making the Inquiry, he stated, were divided into groups—one was taking up the sociological and economic requirements of the district; another, the curriculum and vocational aspects; and a third, the scientific side, such as agriculture. Inquiries were being made also as to the finances necessary to carry out the programme. Speaking at the closing exercises of the Extension Department on Feb. 22, 1936, the Hon. J. A. McDonald, Minister of Agriculture, stressed the importance of the work done by St. Francis Xavier in improving the economic and social life of the country districts in the Eastern part of the Province: the Credit Unions formed under the direction of the Extension Department were teaching the people thrift and responsibility and the Study Clubs were assisting the farmers and fishermen in production and marketing.

At the end of 1936 there were 73 Credit Unions with a membership of 14,000 and 900 Study Clubs with a membership of 10,000. The Extension Department late in 1936 entered into an arrangement with the Dominion Department of Fisheries whereby an educational programme, emphasizing co-operative principles, was to be provided for fishermen along the Eastern coasts of New Brunswick and Nova Scotia. Dr. MacPherson's resignation as President of the University was announced in June, 1936. The Rev. D. J. MacDonald, PH.D., formerly Vice-President, succeeded him.

Department of Agriculture; Organizations, 1935—1936

Annual Reports of the Department of Agriculture contain records of varying conditions in the Province during the years 1934, 1935 and 1936. The first of the three years was described as an epochal year. Sustained dry weather affected pasturage, reduced the hay crop to 40 per cent. below the average, curtailed dairy production 10 per cent., compelled a heavy liquidation of cattle and produced virtually a complete failure of the strawberry crop. The apple crop, however, was the fourth largest in the history of the Province. The Report stated that the experience of the year impressed the need of better farming practice. In 1935 all agricultural production with the exception of potatoes and apples was slightly higher than in the previous year. The potato crop fell off about 20 per cent. and the apple crop from 10 to 15 per cent. while the hay crop improved about 25 per cent. Producers benefited by a definite improvement in prices. In 1936, heavy rainfall produced an abundant hay crop and assisted dairying but led to losses at harvest. It was a difficult year for the apple-growing industry, with high temperature in March and snow and frost later and high winds and early frost in the Autumn. Yields in all crops except potatoes and apples increased, the latter sustaining a drop of 300,000 barrels from the previous year. Apple prices were down about 30 per cent. but prices for other farm products improved over the previous year.

The Reports of the Land Settlement Board of the Department of Agriculture showed that lack of sufficient capital on the part of many

settlers was affecting the success of the land settlement undertaking. At Sept. 30, 1934, 428 settlers had been established by the Board, 138 of them in the previous year and during that year 25 settlers abandoned their farms. During the year ended Nov. 30, 1935, 46 loans were approved and the total of abandonments had reached 104. In the following year over 40 new loans were approved and there was no decrease in the rate of abandonment.

At the Convention of the Nova Scotia Farmers' Association in Halifax on Jan. 31, 1935, Resolutions were passed deploring the use of farm products as "loss leaders" by chain stores and proposing that the Provincial Government should grant farmers long-term loans for the purchase of hay to maintain their herds. E. G. Campbell of Stewiacke was elected President. F. W. Baldwin, M.L.A., addressed the Convention asking support for the project of establishing a national park in the Province for the promotion of tourist business. The same Association, holding its 1936 Convention on corresponding dates in Halifax, heard assurance from the Provincial Minister of Agriculture, the Hon. John A. McDonald, that the Government would undertake a plan to improve the quality of cattle in the Province. F. W. Walsh, Provincial Director of Marketing, appealed to the Convention for support for the effort to maintain the quality and standards of Nova Scotia farm products. R. J. Smeltzer of Lunenburg was elected President.

At the Annual Convention of the Canadian Live Stock Co-operative, Maritime Branch, at Truro, in July, 1935, it was decided to ask the Maritime Provincial Governments to inaugurate public school studies on the history, principles and practices of co-operatives.

Conditions in the dairying industry were reviewed in Reports presented to the Nova Scotia Dairymen's Association in convention at Halifax in January, 1936. W. J. Bird, Provincial Dairy Superintendent, stated that butter production had decreased by a million pounds in two years. He advised an increase in the growing of feed and improvement in pasturage. The export demand for butter was encouraging, he said, and production of creamery butter for 1935 had been 4,900,000 pounds.

Important Conventions of the Nova Scotia Fruit Growers' Association were held at Kentville in December, 1935, and December, 1936. At the 1935 Convention the Association went on record as favouring a local Fruit Marketing Board and a policy of centralized cold storage plants. Marketing policies were given much consideration. Walter G. Oulton of Windsor was elected President and urged Nova Scotia fruit growers to give full support to the Marketing Boards and other bodies working for their interests. He stated that owing to the excellent quality of Nova Scotia apples and the high standard of the pack, the fruit was in the premier position on the English markets. Marketing policy was again an outstanding question at the 1936 Convention and the Association went on record as continuing to favour regulated marketing supported by adequate legislation, and recommending a marketing measure similar to the Natural Products Marketing Act. F. M. Nash of Berwick was elected President.

In June, 1935, a special Committee appointed by Directors of the United Fruit Companies of Nova Scotia, Limited, made a report advising that the organization should be placed on a more co-operative basis; that it should have an executive council to supervise its business; and that the membership of the Board of Directors should be doubled.

Lands and Forests; Fisheries and Mines, 1934—1936

The Department of Lands and Forests reported for the year ended Sept. 30, 1934, a net increase of 116 per cent. in forest production over the previous year, the largest increases being in lumber, pulpwood and laths. The extension of the United Kingdom market was in part responsible for the increase and this market was receiving special attention by producers and Government agencies. The Nova Scotia Lumbermen's Association was reorganized under the name of the Nova Scotia Forest Products' Association. A lumber Commissioner had been appointed by the Canadian Lumbermen's Association to go to England to promote sales. The Report for the succeeding year showed a further production gain of 6 per cent., with the forest products trade continuing to concentrate on the United Kingdom market, which, however, became more restricted in the latter part of the year. Exports of spruce lumber to that market gained 65 per cent. during the year. The Report for the year ended Nov. 30, 1936, showed a further advance in production of 6 per cent., practically all products sharing in the increase except laths, mine timber and boxwood. A feature of the situation was the substantial increase in the export of Nova Scotia spruce, which exceeded, in the case of the United Kingdom and United States markets, the combined export of New Brunswick and Quebec.

The total value of the production of the fisheries of Nova Scotia for the years 1934, 1935 and 1936, as given by the Dominion Bureau of Statistics, was as follows: $7,673,865, $7,877,234 and $8,905,268. A principal item in this production was lobsters, with a market value for the three years of $2,487,633, $2,757,112 and $2,570,274. The value of the total fish catch to fishermen was $4,619,383, $4,762,116 and $5,491,552, respectively, for the three years. The capital value of equipment employed in the fishing industries for the three years was: $5,856,580, $5,981,149 and $6,208,481. The number of men employed in fishing was: 18,448, 17,907 and 18,359; the number of persons employed in fish canning and curing: 3,630, 3,380 and 3,664.

The Annual Reports on the Mines of Nova Scotia for the fiscal year ended Sept. 30, 1934, the fourteen months' period ended Nov. 30, 1935, and the fiscal year ended Nov. 30, 1936, gave the following respective figures: average number of men employed in coal mines—12,297, 12,946 and 13,136; man-days worked—2,680,265, 3,201,756 and 2,806,480; output of coal, in tons—5,526,987, 6,287,880 and 5,830,268; coal sales, in tons—5,169,767, 5,730,675 and 5,371,966; shipments to the St. Lawrence market, in tons—2,961,390, 2,863,635 and 2,583,936; shipments to the United States market—28,101, 51,229 and 59,227; tar manufactured from coal, in imperial gallons—3,663,398, 5,490,886 and 5,584,403; gold produced, in ounces—3,632, 9,857 and 12,321.

Highways, Labour, Relief and other Services during the Years, 1934—1936

The Department of Highways continued during the period under review to carry out the Government's policy of highway improvement, especially in respect of the hard-surfacing of main highways. The Reports of the Department for the calendar year ended Dec. 31, 1934, the eleven-months' period ended Nov. 30, 1935, and the fiscal year ended Nov. 30, 1936, showed expenditures (accrual basis) respectively as follows: Maintenance—$1,804,065, $1,734,051 and $1,907,657; Capital Account (including joint unemployment relief works)—$1,465,669,

$4,632,492 and $6,673,328. Between the end of 1933 and the end of 1936 the mileage of roads paved increased from 28 to 378.

The Motor Vehicles Branch reported the following figures for the three above-mentioned periods, respectively: motor vehicles registered—41,932, 44,045 and 45,883; prosecutions under the Criminal Code for traffic offences—171, 239 and 258; prosecutions under the Motor Vehicle Act—1,027, 1,203 and 1,405; highway accidents—1,314, 1,283 and 2,306; and fatalities—45, 53 and 54.

Reports of the Department of Labour for the period under review showed some increase in employment in manufacturing and mining during the year 1933-34 and further improvement was noted in the two succeeding years, with relief expenditures decreasing correspondingly. In the period under review the Minimum Wage Board passed orders fixing minimum wages and working conditions for female workers in millinery, dressmaking, tailoring and fur sewing, hair dressing and beauty culture and in office employment. The Employment Office of the Department of Labour reported labour placements numbering 13,993 for the fiscal year ended Sept. 30, 1934; 14,150 for the fourteen months ended Nov. 30, 1935; and 10,135 for the year ended Nov. 30, 1936.

Distribution of direct relief showed a steady decline from the peak year 1932-33 when it reached a total of $1,935,293. The figures for the following three years were $1,627,746, $1,244,125 and $1,060,190, respectively.

After being out of office for a number of years, the Inspector of Factories resumed his functions on Oct. 1, 1934, and during the subsequent 14 months inspected 423 factories and reported 551 accidents of which 7 were fatal. During the following fiscal year 481 factories were inspected and 477 accidents were reported of which 6 were fatal.

Reports of the Chief Health Officer of the Province, P. S. Campbell, M.D., for the years 1934 to 1936 stated that general health conditions were satisfactory and noted definite improvement in a number of particulars. Special reference was made to success in combating tuberculosis and to a decline in mortality from whooping cough. Deaths from cancer were increasing. Infant mortality was declining steadily. The Reports of the Department gave vital statistics for the years 1933 to 1936. The birth rate per 1,000 for these years, respectively, was: 21.7, 22.2, 22.6 and 23.0; the death rate: 11.7, 11.7, 12.0 and 11.4; and the marriage rate: 6.4, 7.3, 7.6 and 8.0.

In the year ended Sept. 30, 1934, the Director of Mothers' Allowances approved of 155 applications and paid out $356,074 in allowances. In the fourteen-months' period ended Nov. 30, 1935, 231 applications were approved and $413,997 paid out in allowances. In the fiscal year ended Nov. 30, 1936, 181 applications were approved and $363,981 paid out in allowances.

In the year ended Sept. 30, 1934, 32,583 persons were given treatment or custodial care in the Humane Institutions of the Province (general hospitals, tuberculosis units, children's hospital, maternity hospital). For the fourteen months ended Nov. 30, 1935, the number was 42,987, and for the year ended Nov. 30, 1936, it was 42,434.

The Report of the Inspector of Penal Institutions showed that 353 persons were confined to these institutions at Sept. 30, 1934, 275 at Nov. 30, 1935, and 348 at Nov. 30, 1936.

The Old Age Pensions system of Nova Scotia came into operation on Mar. 1, 1934; it was administered by the Old Age Pensions Board. The first Report of the Board was for the seven months ended Sept. 30, 1934.

At that date 11,692 pensions had been granted and 11,189 were still being paid, and the total net amount paid to pensioners in the Province was $1,020,447. At Nov. 30, 1935, the total number of pensions granted was 14,887 and the number still being paid was 12,886, while the amount that had been paid out at that date was $2,503,634. At Nov. 30, 1936, there were 13,532 pensioners on the pay-roll, an increase of 646 for the year, and the amount paid in pensions for the year was $2,318,884, bringing total payments since the inception of the system to $5,853,136. The Report of the Board for the year ended on that date stated that the pensions had accomplished much good in the Province, including the relieving of municipalities of the support of many indigents and rendering many homes more comfortable for their aged occupants.

The Department of the Provincial Secretary reported that the amount received in Succession Duties for the year ended Sept. 30, 1934, was $328,996, an increase of $81,668 from the previous year. For the 14 months ended Nov. 30, 1935, the amount received was $464,522. For the following fiscal year the amount was $630,476. By an Amendment to the Succession Duties Act passed in 1936 its administration was to pass in 1937 from the Department of the Provincial Secretary to that of the Attorney-General.

Reports of the Workmen's Compensation Board showed steady increase in the number of industrial accidents during the years 1934 to 1936. For the three years, respectively, accidents of all kinds reported were 8,357, 9,225, and 10,538. The total cost of all accidents was $1,086,455, $1,164,035 and $1,382,092. The income of industries under Part 1 of the Act amounted to $1,038,064, $1,235,332 and $1,368,212; and expenditure to $1,180,547, $1,264,219 and $1,495,272. Workmen injured and wholly disabled who were paid compensation numbered in the three years, 5,717, 6,161 and 6,757.

The Fire Prevention Board reported a total fire loss for the year 1933-34 of $1,393,301 and a *per capita* loss of $2.72, the total loss being the lowest in the records of the Board and 40 per cent. of the loss for the first year of its operation, 1920-21. For the next fiscal period (14 months) the total loss was $1,287,966 and the *per capita* loss, $2.51. For the year ended Nov. 30, 1936, the total loss was $1,298,243 and the *per capita* loss, $2.53.

Accounts of the Nova Scotia Liquor Commission for the period under review revealed rising sales and, for the year 1935-36, curtailed expenses of operation, resulting in substantial increase in profit. For the years 1933-34, 1934-35 (14 months) and 1935-36, operations resulted, respectively, as follows: Net sales—$2,917,791, $3,806,204 and $3,831,198; cost of sales—$2,016,142, $2,475,744 and $2,389,319; expense and sundry—$379,160, $499,399 and $392,710; and net profit—$369,342, $671,384 and $970,693.

Public Utilities and the Power Commission During 1934—1936

Administration of the Gasoline Licensing Act of 1934 was added to the functions of the Board of Commissioners of Public Utilities in that year, being a measure for the control of the distribution of gasoline. The Board conducted investigations for the purpose of securing information as to conditions and practices in the trade and made rules and regulations to establish procedure in granting licences. These rules and regulations were published in the *Royal Gazette* of Sept. 26, 1934, and for the balance of the year 7 wholesale licences and 1,382 retail licences were granted. Two new electrical public utilities were organized during 1934 to serve rural communities. As a result of

the application of the Maritime Telegraph and Telephone Company Limited a new general tariff embodying revision and consolidation of the rules and regulations applying to telephone service was approved by the Board. Conditions in electrical utilities improved during the year and extensions were made to the Service.

In its Report for 1935 the Board stated that the administration of the Gasoline Licensing Act was becoming less cumbersome and splendid co-operation had been received from licensees and public utilities. The number of licences was reduced to 1,341. The gallonage handled by wholesale licensees was 21,926,437, an increase of 2,500,000. The expansion trend in public utilities service continued as did that toward rate reduction.

In the Report for 1936 the Board recorded 1,268 retail licences for the sale of gasoline and an increase in gallonage handled by wholesalers to 25,162,800. The Board, during the year, rendered a number of important decisions on the reorganization and valuation of public utilities. Decisions granting lower rates for electrical service were numerous, no application for rate increase being received. The Board also undertook revision of water rates in certain communities. Automatic telephone exchanges were becoming more general.

Recommendations for amendment of the Gasoline Licensing Act, 1934, were made to the Government in a Report of the Board of Commissioners of Public Utilities dated Mar. 1, 1935. The recommendations were designed to combat restraint of trade in the distribution of gasoline. They proposed that agreements or contracts respecting premises and equipment used in the retail distribution of gasoline made between wholesalers and retailers before the coming into force of the Act should be void, including agreements for the exclusive purchase or sale by a retailer of the products of a wholesaler; that pumps and tanks installed by a wholesaler on the premises of a retailer prior to July 1, 1930, should become the property of the retailer; that any retailer should have the right of purchasing from the wholesaler any such equipment installed after that date; and that other inducements to retailers for the exclusive handling of the product of a wholesaler should be prohibited.

The Nova Scotia Power Commission for the year ended Sept. 30, 1934, reported an increase in delivered energy of 15.11 per cent. and a decrease in the delivered cost of 4.80 per cent. It stated that the increased consumption indicated improved economic conditions. In the fourteen-months' period to Nov. 30, 1935, there was a slight reduction in delivery of energy and a corresponding increase in the delivery cost. This trend continued in the following fiscal year. During the first two of the three years the Commission was operating eight systems and in the third year, nine.

Union of Municipalities

The Thirtieth Annual Convention of the Union of Nova Scotia Municipalities was held at Amherst on Aug. 21-23, 1935. Numerous expressions of gratification were recorded in connection with the decision of the Provincial Government to create a Department of Municipal Affairs, a course long advocated by the Union. Resolutions were passed calling for the taking over by the Provincial Government of the entire cost of treatment of poor patients at the Provincial Sanitorium; advocating the appointment of a Commission to study revision of assessment laws; advocating a change in the Canadian Farm Loan Act to permit the taxing of lands under the Act; and favouring equal educational opportunities in rural and

urban communities. Mr. J. Vian Andrews, Warden of Digby, was elected President.

The 1936 Convention of the Union was held at Digby on Sept. 2-4. Among the Resolutions passed were the following: that the opinion of school sections should be obtained on the question of enlargement of school units so that there would be one unit for each municipality; that the Provincial Government should consider the establishment of a sales agency to promote the sale of Nova Scotia coal; that the Provincial Government should consider with the Dominion Government the revision of the unemployment relief system along the lines of the British system, with special regard to social and educational aspects, and that relief should be a national responsibility; that the Provincial Government should consider formulating a policy for combating tuberculosis, including increased financial assistance where patients had no means of support; that the banks should be approached with regard to more equitable rates of interest on municipal loans; and that the Union should protest to the Provincial Government against the failure to apportion as between the Province and the Municipalities the money paid by the Canadian National Railways in lieu of taxes. Mr. S. E. Muggah, Mayor of Sydney, was elected President.

The Province of Nova Scotia

(As at Dec. 31, 1936)

Lieutenant-Governor* ..... The Hon. Walter Harold Covert, K.C.

The Macdonald Ministry† (Liberal)

(As at Dec. 31, 1936)

Prime Minister and Provincial Secretary-Treasurer ..... The Hon. Angus Lewis Macdonald, LL.B.
Minister of Highways ..... The Hon. Alexander Stirling MacMillan
Minister of Agriculture and Marketing ..... The Hon. John Alexander McDonald, M.A.
Attorney-General, Minister of Lands and Forests and Minister of Municipal Affairs ..... The Hon. Josiah H. MacQuarrie, K.C., LL.B.
Minister of Public Works and Mines and Minister of Labour ..... The Hon. Michael Dwyer
Minister of Public Health ..... The Hon. Frank Roy Davis, M.D., C.M.
Minister without Portfolio ..... The Hon. Joseph Willie Comeau
Minister without Portfolio ..... The Hon. Clarence Wentworth Anderson

---

Speaker of the House of Assembly ..... The Hon. Lindsay Cann Gardner

Heads of the Administrative Services

(As at Dec. 31, 1936)

Deputy Provincial Secretary ..... Arthur S. Barnstead, LL.B.
Clerk of the Executive Council ..... Arthur S. Barnstead, LL.B.
Deputy Provincial Treasurer ..... Carl D. Dennis, C.A.
Deputy Attorney-General ..... Frederick F. Mathers, K.C.
Deputy Minister of Labour ..... Earle B. Paul
Superintendent of Education ..... Henry F. Munro, M.A., LL.D.
Director of Marketing ..... Frederick W. Walsh, B.S.A.
Chief Health Officer ..... P. S. Campbell, M.D., C.M.
Director of Child Welfare and Director of Old Age Pensions ..... Ernest H. Blois
Chairman, N.S. Power Commission ..... The Hon. A. S. MacMillan
Chairman, N.S. Liquor Commission ..... C. W. Ackhurst
Municipal Commissioner ..... F. F. Mathers, K.C.
Assistant Municipal Commissioner ..... Frank Rowe, LL.B.
Clerk of the House of Assembly ..... Robert F. Phalen

---

*NOTE.—On May 1, 1937, the Hon. Robert Irwin became Lieutenant-Governor of Nova Scotia.

†NOTE.—For purposes of reference the Cabinet changes between Dec. 31, 1936, and Dec. 31, 1938, are given herewith: Dr. Davis took on the additional duties of Registrar-General; and Mr. Anderson was no longer a Cabinet Member.

THE PROVINCE OF NEW BRUNSWICK

Provincial Affairs of 1935—36

The opening of the year 1935 found the term of office of the Conservative Government of New Brunswick drawing to a close. The Conservatives had been in office since 1925, having carried the General Election of 1930 under the Leadership of the Hon. J. B. M. Baxter. Both Mr. Baxter and his immediate successor in the Prime Ministership, the Hon. C. D. Richards, had resigned that office on being appointed to the Supreme Court of New Brunswick, the Hon. L. P. D. Tillcy becoming Prime Minister in 1933. Mr. Tilley and his Administration had been faced by an aggressive Liberal Opposition under the Leadership of the Hon. A. A. Dysart during his three years of office.

Among the affairs of the Province which received major attention from the Tilley Ministry early in 1935 were the claims of New Brunswick for readjustment of relations with the Dominion. In January, Mr. Tilley took the contentions of his Province to Ottawa and placed them before the Royal Commission which had been appointed by the Dominion Government in September, 1934, under the Chairmanship of Sir Thomas White, to consider the outstanding recommendations of the Duncan Commission on Maritime Claims of 1926. The Province asked for an increase in the Dominion subsidy; on this point Mr. Tilley advanced the grounds that the Maritime Provinces had received no adequate compensation for additional grants of territory to the other Provinces by the Dominion in which all the Provinces were partners, that they had not received adequate compensation for loss of colonial Customs revenue, and that they had sustained loss through the absorption of the Intercolonial Railway into the Canadian National Railways. Subsequently, the White Commission recommended an increase of $300,000 in the Dominion subsidy to the Province.

The Prime Minister was again in Ottawa in April (1935) leading a delegation, representing the Province and the City of Saint John, to the Dominion Government. The New Brunswick representatives requested the removal of alleged discrimination against the Port of Saint John by the Canadian National Railways. They also asked for more equitable treatment in the allotment of money being expended by the Dominion Government for mineral exploration.

The attitude of the Government to other aspects of Provincial affairs was defined also in the carly months of 1935. In January a new power line of the New Brunswick Electric Power Commission from Minto to the towns of Newcastle and Chatham was placed in operation. In pursuance of their highway policy the Government awarded contracts for hard-surfacing of highways to an amount of $1,083,000. A rebate of $1 per thousand feet in the softwood stumpage rate for the year ending Aug. 1, 1935, was granted to operators who complied with the requirements of the Forest Operations Commission in respect of wages. Special consideration was given by the Government to agricultural questions. A dairy products measure providing for the elimination of unethical practices and improving marketing conditions was put through the Legislature during 1935 and, subsequently, a Commission of three members to operate the Act was announced. At the same time a Fish Trade Commissioner was appointed to represent New Brunswick in Central Canada. A Housing Commission

Act, passed at the 1935 Session of the Legislature, was brought into operation as from May 1.

In February, 1935, the Government sold an $800,000 issue of five-year sinking fund 3½ per cent. bonds at a price of 102.57, the cost to the Province of the loan being 2.94 per cent., the lowest in a number of years; and in May, an issue of $2,100,000 of 10-year 3¼ per cent. debentures at a price to bring the interest cost on the loan to 3.33 per cent., the lowest price for such securities in thirty years.

The Election campaign which followed the close of the 1935 Session was conducted in a vigorous but orderly manner by both Parties. Mr. Tilley and his Ministry appealed to the Province on their record and on proposals to extend their programme in certain directions. The Liberals, under Mr. Dysart's Leadership, sought election on a platform in which prominence was given to various reorganizations in the interests of economy with a view to a balanced Budget and to measures for the revitalization of industries, supplementing the platform with charges against the Government of extravagance and incompetence, and the alienation of natural resources. The result of the Election was the complete defeat of the Tilley Administration, no Member of which was re-elected and only five Conservative candidates were returned. The new Cabinet, with Mr. Dysart as Prime Minister, took office on July 16.

The Dysart Ministry, 1935-36

One of the first acts of the new Government was the suspension of work on several highway contracts. Mr. Dysart explained that there was uncertainty as to whether the type of hard surfacing being carried out was most suitable for the Province and, also, as to whether the surfacing should not be deferred until the foundations had settled. Subsequently, after consultation with experts, he explained that a saving of about $225,000 would be effected by modification of the contracts and the completion of the work on a basis corresponding to the finances and traffic requirements of the Province. About the same time, an Order-in-Council was passed reducing, by half, motor vehicle fees for the balance of the year.

Other activities of the new Government during the balance of 1935 were for the most part in pursuance of the policies laid down in the Election platform of the Liberal Party. Early in October (1935) a survey was started on the route of a proposed new highway between tidewater at Newcastle and the upper waters of the Saint John River at Plaster Rock, designed to open up a million acres of virgin hardwood. Steps were taken to prepare for the establishment of the Old Age Pensions system and W. F. Jones, K.C., of Woodstock, was appointed to have charge of its administration. In the matter of lumber policy certain changes were made in stumpage rates and the minimum wage rate for lumber operators was abandoned in favour of an average rate of $27 a month. A land-clearing bonus plan was announced and, later, the bonus to settlers for clearing land was fixed at $20 an acre. An educational campaign to improve methods of handling potatoes for marketing was launched by the Department of Agriculture with a view to assisting market reception of the product.

The Prime Minister (Mr. Dysart) attended the Dominion-Provincial Conference in Ottawa in December (1935), where the opposition of the New Brunswick Government to the proposals for transferring the power of amending The B.N.A. Act from Westminster to the Dominion Parliament was voiced. It was held that the Province was a self-governing

Province of Great Britain and was determined to retain that status. The Government's attitude was maintained in 1936 at a meeting of a Committee representing the Dominion and the Provinces for which provision had been made at the Conference in December. At the meeting of this Committee in Ottawa in January, 1936, New Brunswick was represented by the Hon. J. B. McNair, Attorney-General, and the Hon. A. P. Paterson, President of the Executive Council. On the return of the delegation to Fredericton, Mr. McNair issued a statement in which he said that the delegation had reaffirmed the stand taken by the Province at the December Conference. In January, also, the Province was represented by the Hon. C. T. Richard, Provincial Secretary-Treasurer, at a Committee meeting of Dominion and Provincial financial officers which considered the December Conference suggestions for the setting up of loan councils, but no definite conclusions were reached. In February, Mr. Dysart headed a New Brunswick delegation to Ottawa which discussed the subject of Dominion assistance in Provincial colonization and highway projects. The Attorney-General attended a further meeting of the Constitutional Committee at Ottawa early in March and on his return to Fredericton stated that the attitude of the Province on the question of constitutional amendment was unchanged.

The relief policy of the Liberal Administration during 1936 was directed toward the gradual elimination of direct relief, by means of public works projects. Plans for assisting the solution of the relief problem, by stimulating industrial activity, included the appointment of an official to survey industrial conditions. An increase in the Dominion contribution to relief financing, dating from Dec. 1, 1935, was passed on to the municipalities, which were required to pay only 25 per cent. of the cost instead of 33 1-3 per cent. as previously.

As Minister of Public Works Mr. Dysart had charge of the Province's highway policy and undertakings. In behalf of motorists he made representations to oil companies against proposed increases in gasoline prices and announced the lowering of the licence fees on passenger cars from 70 cents to 60 cents a hundredweight with the $10 minimum fee remaining; the saving to motorists was estimated at $70,000. Fees for trucks and other commercial vehicles were not lowered. The 1936 highway construction programme included the permanent surfacing of 330 miles of road and the carpet-coating of 90 miles to be carried out on a two-year basis. Contracts for the work amounted to $5,079,000. Contracts amounting to $46,000 were awarded also for the construction of five bridges. The decision to build a highway through the northern timber areas—a project criticized by the Opposition in the Legislature—was put into operation in August.

The Government pursued their policies for colonization and development of timber resources. The Hon. F. W. Pirie, Minister of Lands and Mines, called to Fredericton early in February a conference of representatives of counties, at which essential requirements in colonization were decided upon; these were the proper selection of land, the adaptability of settlers and the necessary governmental supervision. All the forests of the Province were declared protected areas in February and entry into them was restricted. The Minister was instrumental also in the arranging of a conference between the Government and lumber operators. Regulations designed to prevent timber limits from being held idle were passed, a minimum cut of 12,500 superficial feet of timber per square mile being required.

Numerous steps were taken by the Minister of Agriculture, the Hon. A. C. Taylor, for the promotion of agricultural interests during 1936. The first credit union charter to be issued, under credit union legislation enacted at the 1936 Session of the Legislature, was in September—to a credit union society of Blackville, in Northumberland County. As a result of the new Government's efforts, a potential market for 500,000 bushels of potatoes, four times the current production, was opened in 1936 in Argentina, Brazil and Uruguay. In addition, freight rates on potatoes to South America were reduced from $14.50 to $9 by steamer. The Furness Prince Line had extended its northern terminus to Saint John, establishing direct connection with countries in South America.

In the field of education the Government's course was directed toward reform and modernization, in keeping with their Election platform. A Committee was appointed to conduct a survey, with a view to revision, of text-books and *curricula* and to the possibility of eliminating certain examinations. In March, the Government announced that they would restore the full former scale of rebates of the salaries of vocational teachers, which rebates were from 60 to 75 per cent. of the salaries, according to the size of the community. The Hon. A. P. Paterson, who was appointed Minister of Education and of Federal and Municipal Relations after the Department was created by an enactment at the 1936 Session of the Legislature, pursued the policy of bringing about modernization of the educational system.

Enforcement of the law against slot machines and other gambling devices and consideration of reform of the lower court system of the Province were among matters which engaged the attention of the Attorney-General, the Hon. J. B. McNair, K.C., during 1936. His Department took various steps toward the suppression of gambling devices and a measure designed to prohibit the operation of slot machines was passed by the Legislature at the 1936 Session at the instance of the Government. Drives against gambling devices led to convictions in police courts, and appeals were taken to the Supreme Court of New Brunswick on the ground that the Act of 1936 was invalid. The Court upheld the validity of the Act and, in December (1936), it was stated that the matter would be taken to the Supreme Court of Canada.

The Attorney-General announced in June that the Life Insurance Act of 1935 as amended in 1936 would come into operation on July 2, 1936, bringing the Province into line with other Provinces in insurance legislation. At the end of the year Mr. McNair disclosed that he was contemplating the introduction of legislation to bring about reform of the inferior court system.

The Provincial Secretary-Treasurer, the Hon. C. T. Richard, carried out considerable governmental financing in 1936. In June, an issue of $5,343,000 of bonds was sold, consisting of $2,000,000 of 10-year 3 per cent. bonds which sold for 98.569, to yield 3.17 per cent. and $3,342,000 of 20-year 3½ per cent. bonds which sold for 98.37, to yield 3.61 per cent. In October, $3,500,000 of bonds were sold, consisting of $2,000,000 of 10-year 2¾ per cent. bonds which sold for 96.60, to yield 3.15 per cent.; and $1,500,000 of 15-year 3 per cent. bonds which sold for 94.50, to yield 3.47 per cent.

Other Incidents of 1935 and 1936

Important changes took place in high offices in the Province in 1935. The Hon. Sir J. Douglas Hazen, K.C.M.G., P.C., retired as Chief Justice of New Brunswick on Jan. 31, 1935, and the Hon. J. B. M. Baxter, former

Prime Minister of the Province, who had been appointed to the Appellate Division of the Supreme Court in 1931, succeeded him. On Feb. 6, 1935, the Hon. Murray MacLaren, C.M.G., former Minister of Pensions and National Health in the Dominion Government, was appointed Lieutenant-Governor of the Province, succeeding the Hon. Hugh H. McLean.

An outstanding event in the life of the Province in 1935 was the celebration by the City of Fredcricton of the 150th anniversary of its selection as the Capital of New Brunswick, which had celebrated a similar anniversary in the previous year. Only Halifax and Quebec were older Provincial Capitals than Saint John. The Lieutenant-Governor (Mr. MacLaren), the Prime Minister (Mr. Tilley) and the Mayor of Fredericton (Mr. W. G. Clark) took prominent parts in the ceremonies.

New Brunswick suffered serious fire losses in August, 1935, when 104 families had all their homes and possessions destroyed. The fires were mainly in Gloucester County. The Canadian Red Cross provided immediate relief and the Provincial Government assisted in the restoration of the homes of the victims.

A vacancy in the Legislature occurred early in 1936 through the death of S. E. Durling, one of the Liberal Members for York County, and in August, C. L. Dougherty of Fredericton was nominated by a Conservative convention to contest the seat, but a By-Election was not brought on during the year and no Liberal candidate was chosen.

Among other interesting events in the period under review was the opening of a new historical museum at Fort Beausejour erected by the Historic Sites and Monuments Board, on Aug. 1, 1936. The ceremony was participated in by the Hon. W. E. Foster (Speaker of the Senate and official representative of the Dominion Government), the Rt. Hon. R. B. Bennett, the Hon. A. A. Dysart, the Hon. J. B. M. Baxter and other distinguished persons. A feature of the ceremony was the eulogizing of Dr. J. Clarence Webster, New Brunswick member of the Historic Sites and Monuments Board, who was a prime mover in having a national park and museum created at Fort Beausejour. The ceremonies recalled the history of the district, which was the scene of a long struggle for possession between the English and the French. Another notable incident was the discovery of the bones, estimated to be a million years old, of a giant mastodon in Albert County, New Brunswick, in July, 1936, the discovery attracting much scientific interest and the bones becoming the property of the New Brunswick Museum. A short time before, through the instrumentality of the Lieutenant-Governor, the Hon. Murray MacLaren, the Museum had received a valuable gift from Spink and Son, Limited, of London, of a set of historic coins dating from the time of William the Conqueror.

In the month of September, 1936, the Prime Minister officiated at the unveiling at Richibucto of a portrait of Andrew Bonar Law who becamc Prime Minister of Great Britain in 1922; the portrait was the gift of the Hon. Murray MacLaren, Lieutenant-Governor of the Province, to the Municipality of Kent, where thc statesman was born.

One of the most sensational murder trials in the history of the Provincc was held in 1936, resulting in the conviction and execution of Arthur and Daniel Bannister, young brothers, for the murder of Philip Lake and his common-law wife and child at Pacific Junction in January. The mother of the men was found guilty of harbouring an abducted child and sentenced to three and a half years in the penitentiary, it being charged at the trial that she was responsible for the tragedy by having plotted to obtain the child to be used for extortion purposes. After a

declaration of mistrial, a new trial and conviction, and appeals to the Supreme Court, the youths were executed.

In March, 1936, sections of the Province suffered severely from flood conditions. These conditions were at their worst in the St. John River Valley, several bridges and buildings being washed away. At the time, damage was estimated at about $3,000,000. The Prime Minister (Mr. Dysart) was stranded for several hours on an isolated farm while making a survey of conditions.

The 1935 Session of the Legislature

The 1935 Session of the Legislature of New Brunswick was opened on Feb. 14 by the Hon. Murray MacLaren, C.M.G., who shortly before had been appointed Lieutenant-Governor. With a General Election pending, the seven weeks of the Session which closed on Apr. 4 were characterized by much political controversy between the two Leaders, the Hon. L. P. D. Tilley, K.C., Prime Minister, and Mr. A. A. Dysart, K.C., Leader of the Liberal Opposition.

In the Speech from the Throne it was stated that the Provincial Government, through the Dominion Government, had made strong representations to the Government of Great Britain with regard to the interests of the Province in respect of the competition of Russian lumber in the British market. The hope was expressed that the provision of an adequate and economical power supply, through the completion of the new 73-mile transmission line from the plant of the New Brunswick Electric Power Commission at Minto, would lead to industrial development in the Miramichi area. It was stated that the Governments of the Maritime Provinces had received sympathetic hearing of their representations to the White Commission and were hopeful that their claims would be substantially met. It was stated that the Forest Operations Commission, created during the previous year, had been of great benefit to thousands of men employed in the lumber industry. As a result of a conference in Saint John of Government officials and representatives of the lumber industry of Eastern Canada, a resident representative of the industry had been appointed to London where he would act for Quebec, Nova Scotia and New Brunswick. Production in the Grand Lake coal fields had been the highest on record, and the fishing industry had experienced some improvement. Benefits to agricultural producers had been secured from the operations of the Marketing Board during the preceding year. The employment situation had improved and there had been a lightening of relief expenditures. The financial outlook of the municipalities was bright in consequence of greater employment. Progress, it was stated, had been made with the highway hard-surfacing policy and the colonization policy. Legislation to be presented by the Government, it was stated, would include a Housing Act, a measure to protect all branches of the dairying industry from over-competition, and amending the Forest Operations Commission Act. The Motion for the Address-in-Reply to the Speech from the Throne was made by Mr. H. M. Wood, Westmorland, and Mr. H. M. Groom, Charlotte, supporters of the Government.

In the Debate on the Address Mr. Dysart condemned the failure of the Government to fill the six vacancies in the House. His criticism of the course of the Government covered the increase in the stumpage fees to lumber operators which he held discouraged the industry, administration of Crown lands, highway policy and financial administration. He charged the Government with incompetence and extravagance, and he outlined plans which his Party proposed to put into operation should it

be placed in office; these were part of the platform of the Liberal Party during the Election campaign.

In replying to the Opposition Leader, the Prime Minister (Mr. Tilley) declared that if fair prices could not be secured for the products of agriculture and the fisheries through marketing schemes, other measures would be necessary; that effort must be made to establish industries in the Province, especially in the Miramichi area and Saint John; that lower and more uniform electricity rates must be worked out by the Power Commission; and that shipping must be increased. Examining the proposals of Mr. Dysart, he found most of them inconsistent with the proposal to balance the Budget. He defended the Government on the points of the Opposition Leader's criticism, declaring, with respect to the lumber industry, that for the six months ended Feb. 1, 1935, the payroll of 286 operators was $1,151,000, as compared with $523,000 for the previous corresponding period. He pointed to other evidence of benefit rather than discouragement to the lumber industry from Government policies. By reducing maintenance costs, the hard-surfacing highway policy was economical, the Prime Minister stated. He drew attention to the position of the municipalities—there was not a single municipal default in the Maritime Provinces.

During the Debate several Members advocated steps looking to the establishment of industries in the Province, and from Opposition Members there was criticism of the Marketing Board plan as applied to potatoes. An Amendment to the Motion for the Address was moved and seconded by Mr. F. W. Pirie of Victoria and Mr. W. S. Anderson of Northumberland, both Opposition Members, to the effect that there should be reductions in the salaries of Ministers and Government employees and in the indemnity of Members, until the Budget was balanced. The Amendment was defeated, 18 to 7, and the main Motion carried on the same vote reversed.

Among the more important Bills enacted during the Session at the instance of the Government were the following: a Dairy Products Act by which provision was made for a New Brunswick Dairy Products Commission to regulate the dairying industry in areas which should decide by a two-thirds vote to come within the scope of the Act; a Housing Commission measure which aimed to promote home construction in municipalities deciding to take advantage of its terms; an Act to extend the financial credit of the Province to the amount of $150,000, in co-operation with the Dominion Government, to distressed potato growers, and to encourage reduction in potato acreage. Other enactments provided for the following: the regulation, through licensing, of the sale of gasoline; the prevention of fraud in the sale of securities; the consolidation of the Life Insurance Act and the Women's Institute Act; authority to guarantee temporary loans made to the Farmers' Co-operative Creamery Company, Limited, of Moncton, to an amount of $130,000; and authority for the issue of $4,606,550 of Provincial debentures, of which some $2,530,000 was for the redemption of maturing issues and the balance was to cover floating indebtedness of $876,550, $800,000 for highway construction, $300,000 for bridge construction and $98,000 for the renovation of the Provincial Hospital. Encouragement to rural electrification was given in an Act providing for the payment out of public funds of any excess of a $1 a month service charge in rural areas serviced by the New Brunswick Electric Power Commission. Modifications were made in the legislation governing public utilities and the Workmen's Compensation Board. It was provided by an Act that men in unemployment relief camps might return to their homes to vote in a Provincial election. The penalty for persons

convicted of causing forest fires was increased. The Forest Operations Commission Act and the Marketing Act of the previous year were amended. A measure was passed providing for an investigation by a Commission of various forms of civic government in connection with a proposal for a change in the form of civic government in Saint John, the plan being that Saint John voters should have the opportunity of selecting by plebiscite a form to suit them. The Saint John Taxpayers' Association had submitted a Bill to provide for a change from a commission system to a modified aldermanic system but this Bill was later withdrawn. By legislation it was provided that the minimum salary schedule for school teachers should be continued for another year.

In addition to being the subject of legislation, potato marketing conditions were dealt with in a Resolution adopted by the House. For the Opposition, Mr. F. W. Pirie of Victoria moved, and Mr. Dysart seconded, a Resolution demanding that the Dominion Government should meet emergent conditions by granting potato growers a sufficient bonus to ensure them a return of 50 cents a barrel on marketable stock and 25 cents on excess stock. From the Government side an Amendment was moved modifying the proposal to have them call for a request to the Dominion Government for a bonus or other assistance, and this Amendment was adopted on a Party division, 21 to 9.

On Mar. 13 the Prime Minister gave warning in the House that municipalities would not be allowed to escape their share of the cost of relief. If such authorities refused to provide relief, as certain ones threatened, the Provincial Government would provide for the payment of relief funds to responsible parties for distribution and would hold the municipalities responsible for their share. The municipalities, he said, would not be allowed to let people starve.

On Mar. 20 Mr. Dysart proposed a Resolution that the Government should demand of the Dominion Government the restoration of the Intercolonial Railway to the status provided at Confederation, with headquarters at Moncton. Government supporters proposed, in amendment, that the House should approve of the attitude on the question taken by the Prime Minister, who had urged, at various times, that the Intercolonial should be restored to its original status and that a further request to this effect should be made immediately to Ottawa. This Amendment was adopted, the division being on party lines, except that one Conservative voted with the Opposition against the Amendment. In debate it was charged by Dr. W. W. White, Conservative Member for Saint John City, that the Canadian National Railways discriminated against Saint John in favour of Halifax and also in favour of Portland, Maine, and that it had ships repaired in New York.

Public Accounts, Estimates, and the Budget of 1935

Public Accounts for the fiscal year ended Oct. 31, 1934, showed Revenue of $5,436,509 as compared with Estimated Revenue of $5,634,971 and Expenditure of $6,313,060 as compared with Estimated Expenditure of $5,788,813, the Deficit being $876,551 as compared with the Estimated Deficit of $153,842. The Net Debt of the Province was given as $48,411,380 as at Oct. 31, 1934, as compared with $47,413,393 as at Oct. 31, 1933. Financial Estimates for the fiscal year ending Oct. 31, 1935, presented in the Legislature by the Hon. A. J. Leger, K.C., Provincial Secretary-Treasurer, placed Revenue at $5,781,660 and Expenditure at $6,270,863, leaving an Estimated Deficit of $489,203. The Estimated Revenue did not include the anticipated increase in the Dominion subsidy.

In his Budget Speech on Mar. 1, Mr. Leger explained that the largest anticipated revenue increase would be from the Gasoline tax, expected to rise $118,000 to $1,000,000. The revenue from Succession duties was expected to increase $110,000 to $260,000. In expenditure, the largest estimated increase was $98,000 in the roads account, to bring expenditure to $380,000. The Sinking Fund, the Secretary-Treasurer stated, represented more than 15 per cent. of the Debt. He pointed out that the lumbering industry was in an improved condition and that the policy of the Government of expanding the Provincial power service was designed to encourage industrial development. One of the most satisfactory aspects of the Province's expansion was to be found in the tourist traffic which the Government had placed on a businesslike basis. The credit of the Province had been well sustained, and low taxation should attract industrial development. The Budget contained no new taxation. Mr. Leger stated that the increase in the Net Debt of $997,986 was the smallest in many years; the principal items of expenditure making up this increase were: $231,000 for permanent bridges, $475,000 for permanent roads, $284,000 for hard-surfacing, and $169,000 for municipal unemployment relief.

In the Debate on the Budget, Mr. C. T. Richard, financial critic of the Opposition, deplored the smallness of the increased subsidy awarded by the White Commission and claimed that the Province must have a fairer settlement with the Dominion. He criticized the Government's stumpage policy and the granting of 50-year leases on timber lands to big interests. He declared that the Government had pursued an unsound financial policy. The Hon. W. H. Harrison, Attorney-General, told the House that, with the increase of $300,000 in the Dominion subsidy and larger revenue from Succession duties, the Budget might be balanced by the end of the year. The Leader of the Opposition dealt with many phases of Provincial affairs in a three-hour speech in the Budget Debate and moved an Amendment to the Motion, proposing rational economy, wise administration and no increase in taxation in order that the Budget might be balanced and that the additional revenue from the Dominion subsidy might be used for Old Age Pensions and other social services. Closing the Budget Debate on Mar. 21, the Prime Minister expressed the hope that the Dominion Government would assume responsibility for a larger part of the cost of Old Age Pensions. He hoped that the Budget would be balanced. He reviewed the accomplishments of his Administration and examined in a critical way the proposals of the Opposition. The Amendment to the Budget Motion was defeated on a Party division, 24 to 13.

The 1935 General Election

Following the 1935 Session of the Legislature during which the Tilley Administration was subjected to vigorous attack by the aggressive Liberal Opposition under the Leadership of Mr. A. A. Dysart, the Prime Minister on May 10 announced that a General Election would be held on June 27, with nominations on June 20. Both Parties were well prepared for the contest, many candidates already having been chosen. At Dissolution, on May 22, the standing of the Parties was: the Government, 26 Members; the Opposition, 15; and there were 6 vacancies (5 on the Government side and 1 on the Opposition side).

At a Convention at Fredericton on May 15, the Liberals of the Province completed their platform, the principal planks of which had been announced in the Legislature by the Opposition Leader. The Liberal programme was as follows: the revitalization of the industries of the Province in the interests of employment and general prosperity; justice for

New Brunswick within Confederation; a Provincial Department of Federal Relations to deal with transportation, trade, finance and other matters of a Dominion or interprovincial nature, including fisheries; a balanced Budget; a new land settlement policy including a bonus for land clearings; the promotion of a cold storage system, better banking arrangements and marketing conditions in the interests of agriculture; mortgage loans at reasonable rates and fire insurance at low cost for farmers; the encouragement of stock-raising; improvement in The Dairy Products Act; steps to lessen the spread between producer and consumer prices of farm products; cold storage facilities for fishermen; an economical highway policy, including the use of man-power in place of machinery, where feasible; the enlargement of the public health service, including educational effort in the case of cancer and mental hygiene; the reorganization of the Workmen's Compensation Act; the prohibition of child labour; the proclamation of The Old Age Pension Act; the appointment of a fair wage officer; improvement in the educational system, including free school books; a Crown lands policy involving equitable stumpage rates, the encouragement of small operators and the conservation of resources; the reorganization of the system of justice administration; the extension of electric power services at lower rates, particularly in rural areas; a reduction of automobile fees; encouragement for the mining industry; and promotion of the establishment of a national park.

At a Provincial Convention of Government supporters in Saint John on May 22, Mr. Tilley stressed the vital importance of the Province maintaining its integrity and discharging its obligations. The people would be disgusted, he held, with discussion of petty politics. He linked the problems of the Province with those of the Dominion and the world at large. He attacked the Liberal platform as impracticable and calculated to run the Province into heavy debt; and he defended the record of the Government. Addressing Party meetings on June 6, Mr. Tilley outlined a seven-point programme which the Government would carry out if returned to office; the items were: an increase in 1936 of hard-surface road construction to 100 miles; continued improvement of secondary roads; efforts toward the establishment of a national park; the transfer of the Labour Department to the Department administered by the Prime Minister; restoration of grants to hospitals and sanitaria; free school books up to grade eight out of money received in increased subsidy from the Dominion Government; further assistance to the back-to-the-land movement; and the continuance of relief and medical aid to those in such need, although the Government hoped that with improved conditions direct relief could be ended.

By June 3, both Parties had candidates chosen for all the 48 seats in the Legislature, which were distributed among 15 counties and the cities of Moncton and Saint John; in addition two Independent candidates were in the field. Campaign meetings were held daily in all constituencies. The close of nominations on June 20 ensured straight Party contests between Conservatives and Liberals in all constituencies except Madawaska where two Independent candidates were nominated, bringing the total number to 98 for the 48 seats. All Members of the Tilley Ministry sought re-election. In one of his final speeches in the campaign, delivered on June 25 in Moncton, Mr. Dysart (Opposition Leader) charged the Conservative Administration since 1925 with "deceptive tactics, broken promises, treachery, extravagance and incompetence" (*The Telegraph-Journal*, Saint John). He declared that the Province's water power heritage had been swept into the hands of interests beyond the borders of the Province without any return and that afterwards, the Government had assisted

these interests in securing the choicest timber areas; and that promises of industrial development in these areas had not been kept. He condemned the Government's course in respect of the marketing of potatoes, of their failure to introduce Old Age Pensions, of their discontinuance of free school books, and of their indifference to the high cost of highway construction. The campaign was continued with increasing vigour until the eve of polling.

The Election on June 27 swept the Conservatives out of office; no member of the Tilley Administration was returned and only five Government candidates. The Liberals elected 43 candidates, including their Leader, Mr. Dysart. Nine Conservatives and the two Independent candidates lost their deposits. When the results were known, Mr. Tilley congratulated Mr. Dysart on the victory of himself and his Party and declared that the Election results were similar to those in other Provinces where Governments had been in office during the years of the economic depression. He expressed his desire to turn over the administration to Mr. Dysart as soon as possible. In his statement, Mr. Dysart promised that the programme on which his Party had been elected would be carried out; this, he confidently hoped, would bring to the Province the degree of prosperity to which it was entitled.

Mr. Tilley placed the resignation of his Government in the hands of the Lieutenant-Governor on July 12 and Mr. Dysart was summoned on the same day by His Honour and asked to form a Government. The new Ministry, however, was not sworn in until July 16. (See end of this Section). As an aftermath of the General Election, the Hon. F. C. Squires, Member-elect, who had been Speaker in the previous Legislature, was on Sept. 10 chosen by the other four Conservative Members-elect, as their Leader in the new Legislature; the choice was made at a meeting of the five Members-elect at Fredericton.

The 1936 Session of the Legislature

The previous Legislature had been designated officially as the Tenth Legislature, the numbering being from the year 1892 when the Legislative Council of the Province was abolished and not, as in the case of other Provinces, from Confederation. The new Government installed in 1935 decided to date the origin of the Legislature from the formation of New Brunswick as a Province and the 1936 Session, consequently, was officially referred to as the First of the Fortieth Legislature. The political complexion of the House was radically changed from that of the previous Session, the Prime Minister and Leader of the House was the Hon. A. A. Dysart, Leader of the Liberal Party and the Leader of the Opposition was the Hon. F. C. Squires. The membership consisted of 43 Liberals and 5 Conservatives. At the opening, on Mar. 5, Mr. H. F. G. Bridges, Member for Restigouche, was elected Speaker.

In opening the 1936 Session the Lieutenant-Governor, the Hon. Murray MacLaren, referred to the sorrow of the people of New Brunswick at the death of His Majesty King George V and to the accession of His Majesty King Edward VIII. Later, on Motion of the Prime Minister, seconded by the Leader of the Opposition, the House passed an address of sympathy and devotion to the new Sovereign and a message of condolence to Her Majesty Queen Mary.

The Speech from the Throne stated that the outstanding event since the new Government had taken office was the Dominion-Provincial Conference in December, 1935, at which the rights, aims and aspirations of New

Brunswick had been forcefully presented. Reference was made to the proclamation of the Old Age Pension Act and to the heavy loss and suffering caused by forest fires during the preceding Summer. In order to open to industry a large portion of timber resources a road would be built from the Tobique to the Miramichi. To promote economy and efficiency a central purchasing department was being established. It was proposed to set up a Federal and Municipal Relations Service which would also give direction along educational lines to the orderly development of human and physical resources. A Committee of educationists was to make a study of school text books and review *curricula* with a view to simplifying and modernizing the educational system. Free school books would be restored. Improvements in the Workmen's Compensation Act were being contemplated with regard to medical practices and hospitalization in order to ensure full benefits to workmen without an undue burden on industry. Legislation would be introduced to provide for a fair wage officer in connection with labour conditions and wages. Agricultural services were being consolidated and serious study was being given to credit unions, mutual farm insurance and co-operative production and marketing. The Legislature was to be asked to consider a sound colonization plan, and, if necessary, rigid measures would be adopted to advance the commercial development of Crown lands, mineral and other resources. The extension of electric power services was under consideration. The programme of hard-surfacing of highways was being continued, the Bureau of Information and Tourist Travel was being placed under the Minister of Lands and Mines, and the Government were confident that a national park would be established in New Brunswick. It was proposed to launch an educational health campaign covering cancer and mental hygiene and Provincial hospitals would be placed under the Minister of Health instead of under Boards.

The Address-in-Reply to the Speech from the Throne was moved by Mr. J. J. Hayes Doone (Lib., Charlotte) and seconded by Mr. W. W. V. Foster (Lib., Kings). Both Members commended the Government for the programme set out in the Speech from the Throne. In the Debate on the Address the Leader of the Opposition appealed for unity of action by the Maritime Provinces in pressing their claims on the Dominion. He protested that the Dominion tried to measure the rights of the Maritimes on the basis of population, which could not be accepted. He advocated a consultation among the three Provinces before the next Dominion-Provincial Conference. New Brunswick's original representation of 15 Members in the House of Commons should be restored, he claimed. Mr. Squires condemned the proposal of the Government to construct a road between the Tobique and the Miramichi on the ground that there was no demand for it, that it would add to the financial burden of the Province and lead to the extinction of wild animal life. He declared the action of the Forest Operations Commission in changing the minimum wage of $32 a month to an average wage of $27 had depressed lumber workers' wages. The proposed Department of Federal Affairs, he said, would be a needless expense, as would be the proposed survey by a Commission of educational matters. In the same Debate the Prime Minister (Mr. Dysart) defended the position taken by the Government at the Dominion-Provincial Conference, declaring that New Brunswick would not consent to the transferring of the power of amending the Constitution from Westminster to Ottawa. He intimated that the Government would not resort to direct taxation and that it might not be possible to balance the Budget in the current year. The balance could be effected easily if the Public

Debt carrying charges, which amounted to $3,000,000, could be refunded at 3 or 3½ per cent. He spoke of the possibility of the creation of a Department of Education and a permanent Civil Service. The Prime Minister brought the Debate to a close and the Address was adopted without a division.

With an adjournment of ten days for Easter, the Session lasted until Apr. 24. Much important legislation was passed, which provided, among other things, for the following: the appointment of a fair wage officer to study and report upon hours and conditions of labour in any trade, business or industry in the Province; the establishment of Provincial Savings Banks deposits which might be used for loans to assist agriculture or industry; action by the Provincial Government, in co-operation with the Dominion or alone, in extending assistance to agriculture, lumbering, fishing, mining or any other industry; investigation by the Board of Commissioners of Public Utilities of commercial practices and marketing conditions in any trade or industry, provided the approval of the Government were granted, such approval not to be given unless the Dominion legislation on the subject were found to be unconstitutional; organization of co-operative credit societies or unions for the purpose of promoting thrift and creating a source of credit at legitimate rates of interest for provident and productive purposes; creation of Departments of Education and of Federal and Municipal Relations; distribution of free text-books to school children; continuation for another year of the minimum salary schedule for school teachers; compelling children to support their parents in connection with the Old Age Pensions scheme; the suppression of slot machines; placing the Jordan Memorial Sanitarium and the Provincial Hospital under the administration of the Minister of Health instead of under Boards of Commissioners; changing the liquor authority to a one-man Commission; and the special taxation of branches in the Province of extra-provincial business corporations such as insurance companies, banks and chain stores. Financial legislation authorized the issue of debentures to an amount of $6,066,000, of which $2,792,000 was to redeem debentures maturing in June; $2,150,000 to fund capital highway expenditure and provide for new highways; $703,000 to fund the floating debt; and $400,000 to fund capital bridge expenditure and provide for further expenditure.

The Municipal Committee of the Legislature spent several sessions on Bills relating to the City of Saint John. A Bill to authorize the Common Council to call a plebiscite on any question at any time was not recommended. A Bill providing for a change in the form of the Municipal Government of the City was recommended, and eventually passed the Legislature, after the Committee had amended it. As amended it provided for a plebiscite in June on the proposed change from the existing Commission form of Government to a modified aldermanic form. The Corporations Committee of the Legislature had a number of contentious Bills before it. Two of these, a Bill sponsored by the Nurses' Association and requiring higher standards in nurses' training schools, and a Bill in behalf of five assistant dentists to authorize them to seek registration as full dentists, were withdrawn. A Bill respecting the qualifications of physicians and surgeons was amended in Committee so that it did not bar the practice of osteopathy by persons who did not qualify as physicians or surgeons.

After considerable discussion the House unanimously passed a Resolution, proposed by the Government, endorsing the efforts made by the Ministry to promote New Brunswick's claims on the Dominion and auth-

orizing it to take all necessary measures to secure the due fulfilment of the agreements under which the Province entered Confederation.

Public Accounts, Estimates, and the Budget of 1936

Public Accounts for the fiscal year ended Oct. 31, 1935, showed Ordinary Revenue of $6,149,076 and Ordinary Expenditure of $6,950,725. The Revenue included an item of $455,793 from Succession duties. Financial Estimates for the fiscal year ending Oct. 31, 1936, placed Ordinary Revenue at $6,552,505 and Ordinary Expenditure at $6,935,981, the Estimated Deficit being $383,476, notwithstanding an Estimated Increase of $210,014 in Revenue and an Estimated Decrease of $109,626 in Expenditure.

In the Budget Speech delivered on Mar. 17, 1936, the Hon. C. T. Richard, Provincial Secretary-Treasurer, placed the Net Debt of the Province at $53,351,138, an increase for the year of $4,939,758. The Gasoline tax was expected to increase its yield by $177,393 to $1,200,000; and the Liquor Commission was expected to produce $149,238 additional, to a total of $750,000. At $300,000, the estimated yield from Succession duties was $115,000 less than was collected for the year ended Oct. 31, 1935. The cost of Old Age Pensions was placed at $243,800, of which $160,000 was the Province's share of pensions paid and $83,800, for administration. Appropriations for public works were reduced by $482,866, mainly for ordinary roads and bridges, and expenditure on lands and forests was reduced by $100,300.

Mr. Richard referred to measures taken to stimulate the lumbering industry, including the substitution of an average wage for a minimum wage and a study of market possibilities. He stated that the Government were confident the revenue from Crown lands resulting from the opening up of the timber resources to be tapped by the new highway from the Tobique to the Miramichi would cover carrying charges on the capital cost of the road. He referred to the Government's policy of extending electric power service, and the hope that within a few years the service would cover the entire Province. Private negotiations with financial institutions, he said, had resulted in credit being extended to small industrial operators, thus increasing employment. He pointed out that as an encouragement to land settlement the Government had inaugurated the plan of paying new settlers a bonus of $20 an acre for clearing land and that this was already bringing new land to productive use. The Minister spoke of the forest fires of the previous year as the greatest calamity of the kind suffered by the Province. He said that a saving of $200,000 had been effected by revision of highway hard-surfacing contracts made by the former Government for a type of road beyond the need and means of the Province. A reduction of one-quarter of one per cent. had been secured in bank loans on Treasury bills and overdrafts. He referred to the sale in 1935 of debentures amounting to $1,358,000 at 3 per cent. at a price of $102 for a cost to the Government of 2.55 per cent., which he said was the best rate ever obtained by the Province. In January, 1936, the Government had refunded 6 per cent. debentures, amounting to $1,750,000, which were costing 6.50 per cent. in interest charges, at a rate of 3.42 per cent. or a yearly interest charge of $94,050. They had sold $1,000,000 of debentures to cover highway expenditures of the former Government at the same rate, the result being that the interest charges on the total amounted to $19,700 less than those on the issue refunded. The Minister explained that the average interest rate on outstanding obligations of the Province was 4.72 per cent. and, if these could be refunded at prevailing rates, the saving would be more than $1,000,000, which

would solve the Budget problem. He referred to the National Loan Council proposal which had been before the Dominion-Provincial Conference as a possible means of refunding but pointed out that, as a great percentage of the Province's bonds were held by municipalities, reduction in interest rates would effect a hardship.

The Minister said that the Government would keep their pledge to balance the Budget and that, while certain revenues could be expected to increase, it might be necessary to have recourse to new taxation to be borne by those who had escaped paying their fair share of taxation and, for this purpose, it would be necessary to invade the field of Corporation tax; but that no new taxes would be imposed which would work any hardship. He announced that a reduction would be made in automobile fees, the loss to be more than made up by increased revenue from automobile registrations and the Gasoline tax.

In the Debate on the Budget various proposals were made by Members, among which were: that the Province should institute an inquiry as to why the Dominion Government used icebreakers to keep the St. Lawrence River open for the advantage of Quebec and Montreal to the prejudice of Maritime Province ports; that inquiry should be made into gasoline prices in the Province; and that efforts should be made to secure lower freight rates on Maritime products. In the course of the Debate the Hon. J. B. McNair, Attorney-General, contributed a further discussion of the attitude taken by the Provincial Government with regard to the Province's relations with the Dominion, denouncing suggestions that the Province should sacrifice any rights belonging to it under Confederation. The Hon. F. W. Pirie, Minister of Lands and Mines, told the Legislature that under their colonization policy the Government proposed to place 1,000 settlers on the land each year for four years, expecting that the Dominion Government would bear half the cost. He also stated that a cold storage policy would be adopted.

Declaring that the Government were not carrying out their economy pledges and predicting that the Budget Deficit would amount to twice the estimate, the Leader of the Opposition, Mr. Squires, submitted an Amendment to the Budget Motion to the effect that the Budget should not be proceeded with until assurance had been given that the Tobique-Miramichi highway proposal would be abandoned. The Hon. W. S. Anderson, Chairman of the New Brunswick Hydro-Electric Power Commission, answering criticism of the highway proposal, said that the Opposition estimate of the cost, $2,000,000, was 300 per cent. astray. Mr. Squires' Amendment was defeated and the Budget Motion carried.

Under the measure for the further taxing of corporations, announced in the Budget Address, it was provided that the gross sales of merchandizing businesses and the gross receipts of amusement businesses conducted by corporations, the majority of whose stock was held outside the Province or which were branches of extra-provincial businesses, should be subject to such rates of taxation as the Governor-in-Council should determine. Similarly constituted firms engaged in public or private works in the Province would be required to pay a levy on their gross receipts; firms or persons owing them money in the Province would be required to deduct the percentage of the levy from payments and forward it to the Government. In the case of banks, loan and trust companies, the levy was to be on the excess of deposits over loans and, in the case of insurance companies, on the excess of net premiums over the amount paid to policyholders in the Province and on the excess of loans and invest-

ments for the previous calendar year over the preceding year. The tax was to be retroactive to Jan. 1, 1936. The Provincial Secretary-Treasurer estimated that it would yield $100,000 for the period to Oct. 31. The tax also applied to finance corporations, which would be required to pay a percentage of the excess of interest and other charges on their active loans and advances in the Province over an amount equal to seven per cent. of the average monthly amount of such loans and advances. In all cases the rate of the tax was left to the Government for determination.

Just prior to prorogation of the Session the Prime Minister announced that Old Age Pensions would become payable as from July 1.

Provincial Education, 1933—1936

School enrolment in the Province, as at December, was 86,768 in 1933; 85,867 in 1934; and 86,212 in 1935. The percentage of attendance was 81.15, 82.52 and 83.11. The number of schools in operation (first term) was 2,520 in 1933-34; 2,558 in 1934-35; and 2,597 in 1935-36. The number of teachers for the three years was 2,713, 2,733 and 2,784. The Chief Superintendent of Education in his Report for the fiscal year 1934-35, recommended a change in the method of passing pupils for high school entrance and for matriculation and high school leaving. He proposed that for schools of certain standards pupils should be recommended on their average term standing, freeing them from the writing of examinations. He also recommended that a study of text books and courses of instruction should be made by a Committee with a view to modernization and improvement in the educational system. In his Report for the following year he noted that his recommendation in respect of high school entrance had been carried out. Under legislation, passed at the 1936 Session of the Legislature, a Department of Education was created and certain reforms in the educational system were begun or were under consideration. The free supply of school books had been restored. More attention was being given to health in the public schools, high schools and the Provincial Normal School.

The University of New Brunswick had an enrolment of 326 for the year 1934-35 and 313 for the year 1935-36, exclusive of 112 Summer school students in the former and 96 in the latter year. In the former year the Honorary Degree of Doctor of Laws was conferred on the Hon. R. B. Hanson, Minister of Trade and Commerce for Canada. Bequests received totalled about $11,000. In the latter year the Honorary degree of Doctor of Laws was conferred on the Hon. A. A. Dysart, Prime Minister of the Province; on the Hon. J. H. A. L. Fairweather of the Supreme Court of New Brunswick, and on Sir Edward Beatty. The Honorary Degree of Doctor of Science was conferred on Mr. Leonard H. Newman, Dominion Cerealist. Gifts of $8,000 from Dr. J. S. Brookfield of London, England, and $6,000 from Dr. Charles P. Steeves of Denver, Colorado, were received. On May 13, 1936, at the combined dinner meeting of the Associated Alumni and the Alumnae Society of the University, Dr. C. C. Jones and Mrs. Jones were the recipients of presentations marking the completion by the former of thirty years of service as President and Chancellor of the University.

Mount Allison University, Sackville, N.B., had a registration of regular students of 439 in 1933-34; 436 in 1934-35; and 441 in 1935-36. By the will of O. E. Smith of Halifax, N.S., the University was left an interest

in his estate which was estimated to be equal to a capital of $250,000; and in 1935-36, under the will of George R. Hart of Halifax, a bequest of $20,000 was received. In 1934-35 Honorary degrees were conferred on Mr. Elmer J. Alexander, Principal of Schools, Saint John; the Rev. E. Leslie Pidgeon of Montreal; Mr. J. Clayton Pincock, Superintendent of Schools, Winnipeg; and the Rev. W. C. Ross, retiring Principal of the Ladies' College. During the following year Honorary degrees were conferred on Mr. Albert R. Carman, Editor of *The Montreal Star;* Mr. Albert G. Hatcher, Principal of Memorial College, St. John's, Newfoundland; and Dr. W. F. Roberts, Minister of Health for New Brunswick.

St. Joseph's University, St. Joseph, N.B., had an enrolment of 258 in 1934-35 and 253 in 1935-36. The Rev. L. Lapalme, C.S.C., D.D., became President of the University during 1934-35. Construction of the new building was begun on Oct. 2, 1934. At Convocation in June, 1935, degrees conferred were: M.A., one (exam.); B.A., 18; and B.L., one. At the 1936 Convocation degrees conferred were: M.A., one (exam.); B.A., 24; and B.L., one.

Agriculture: Reports for 1934 to 1936

The agricultural industry of New Brunswick during the three years, 1934—36, enjoyed the advantage of steadily rising prices for its products, with two exceptions, potatoes and beef cattle. In the case of potatoes, one of the Province's most important crops, after an abnormal recession in 1934 and the early part of 1935, prices gradually improved toward the end of that year, and continued to advance during 1936, potato growers being favoured with a ready market and profitable prices during the year. Potato acreage was curtailed in 1935 by about 18 per cent. as compared to the previous year; production was down about two and a half million hundredweight from 1934 but rose again in 1936. A considerable amount of certified seed was shipped to Argentina in the latter year; it was hoped that this would open the way for a future market. In all other important field crops production was rising from year to year in response to favourable growing conditions and active markets.

The area, yield and value of field crops in 1935 and 1936, according to the Monthly Agricultural Statistics Bulletin, January, 1938, were as follows:

	Year	Acres	Yield Per Acre Bush.	Total Yield Bush.	Average Price Per Bush.	Total Value
Spring Wheat	1935	18,600	16.9	314,000	$1.06	$333,000
	1936	16,400	19.0	311,000	1.18	367,000
Oats	1935	215,100	27.6	5,938,000	.44	2,613,000
	1936	219,900	32.8	7,218,000	.57	4,114,000
Barley	1935	12,400	24.9	308,000	.62	191,000
	1936	13,300	27.4	365,000	.73	266,000
Beans	1935	1,100	16.0	17,600	1.25	22,000
	1936	1,200	15.2	18,000	2.22	40,000
Buckwheat	1935	34,200	18.4	630,000	.68	428,000
	1936	34,400	26.3	905,000	.72	652,000
Mixed Grains	1935	3,000	26.6	79,900	.58	46,000
	1936	3,700	24.6	91,000	.59	54,000
			Cwt.	Cwt.	Per Cwt.	
Potatoes	1935	44,300	99 0	4,383,000	.73	3,200,000
	1936	45,100	126.0	5,683,000	1.05	5,967,000
Turnips, etc.	1935	11,700	193.0	2,256,000	.30	677,000
	1936	11,800	238.0	2,808,000	.40	1,123,000
			Tons	Tons	Per Ton	
Hay and Clover	1935	572,900	1.13	649,000	10.81	7,016,000
	1936	574,700	1.55	891,000	6.50	5,792,000
Fodder Corn	1935	600	8.28	5,000	3.25	16,000
	1936	800	7.13	5,700	3.75	21,000

In 1936 greater interest and activity in the live stock industry were evident. Good pastures, abundant crops of hay and grain and higher prices for practically all live stock products were encouraging features. The number of stallions enrolled was practically the same as that of the two previous years. The treatment of horses for bots for groups of farmers was carried out on a more extensive scale. The apparent reduction in the number of agricultural society-owned bulls receiving a bonus was due entirely to a change in regulations which withheld the first bonus until the bull had been in service for a certain period. The estimated live stock production for 1934, 1935 and 1936 is given in the following comparative table:

	1934	1935	1936
Horses	51,200	51,170	49,490
Cattle	226,700	207,900	198,600
Sheep	113,900	110,900	108,800
Hogs	70,800	79,200	82,100
Poultry	1,285,000	1,289,200	1,367,200

The output of Provincial dairy products reached unusually high levels in 1934, fell off somewhat in 1935, and advanced again in 1936. In 1935 the New Brunswick Dairymen's Association was formed, composed of milk shippers, cheese factory and creamery patrons and operators, ice-cream makers and others, for the purpose of promoting dairying generally and encouraging co-operation among those engaged in the industry.

Under legislation passed in 1935 a New Brunswick Dairy Products Commission was created by the Government to control and regulate the dairy industry in areas where those engaged in it requested its application by petition signed by two-thirds of them. The first Annual Report showed that areas had been established embracing the principal centres of population and stated that stabilization of prices had been of benefit. Additional areas were established in 1936 and the Commission reported that it had received the support of those concerned in the application of its regulations.

A significant event in the agricultural affairs of the Province during the period under review was the Diamond Jubilee Convention of the New Brunswick Farmers' and Dairymen's Association at Saint John on Jan. 14-16, 1936. The forerunner of the organization, the first agricultural society of the Province, was formed in Saint John in 1790. The Association was the co-ordinating body for some 160 agricultural societies. At the Saint John convention Mr. H. Q. Hall of Fairville was elected President.

In June, 1936, at a meeting at Moncton of delegates representing agricultural bodies of the three Maritime Provinces, a Maritime Chamber of Agriculture was formed, to be affiliated with the Canadian Chamber of Agriculture.

The Annual Reports of the Provincial Horticulturist for the three years, 1934—36, referred to the valuable work being done by the New Brunswick Fruit Growers' Association. At the Annual Meeting of the Association at Fredericton in April, 1935, it was decided to ask the Provincial Government to enact legislation for the control of the apple maggot, as a substitute for voluntary effort, in order to enable growers to qualify for exporting and to improve their position in the interprovincial trade. George W. Dingee of Gagetown was elected President of the Association for 1934 and 1935; and W. B. Gilman of Fredericton for 1936.

A Report of the Superintendent of Immigration stated that 244 farms which had been purchased by the Province for settlement of British

families had been transferred to the Dominion Government for the sum of $521,156; this covered the cost to the Province. The Report stated that assisted immigration would not be encouraged in the future.

Lands and Mines and Fisheries during 1934—36

The Annual Reports of the Department of Lands and Mines for the years ended Aug. 1, 1934, 1935 and 1936 showed that the cut of sawlogs rose to 107,000,000 feet in 1934 from 48,000,000 feet in 1933, advanced again to 136,000,00 feet in 1935, but declined to 76,000,000 in 1936. The cut of pulpwood for the three years respectively was, in cords, 230,697, 129,317, and 152,275. In 1934, 464,890 cords of pulpwood were manufactured in the Province; in 1935, 537,281 cords; and in 1936, 597,159 cords. The Reports stressed the efforts made each year to promote the sale of New Brunswick lumber to Great Britain. The New Brunswick Forest Operations Commission fixed for 1934 and 1935 a minimum wage of $32 a month for workmen in the lumber woods but, following the change of Government in 1935, the Commission was reorganized and an average wage of $27 a month was substituted. In 1936 the rate was raised to $31.

During the period, demand for colonization land continued and, in 1934, 482 lots of 100 acres were approved for settlers; in 1935, 504; and, in 1936, 645, making a total of 2,667 lots covering 308 square miles utilized for colonization over a five-year period. In 1936 a land-clearing bonus for settlers of $20 an acre was established; and, for every 100 to 200 settlers, an experienced farmer was assigned to give instruction and assistance.

Coal production during the three years showed a steady increase, amounting to 271,335 long tons in 1934; to 301,685 long tons in 1935; and to 310,704 long tons in 1936.

In 1934, fishing licences issued to non-residents totalled 1,534; in 1935, they totalled 1,401; and in 1936, 2,158. The Dominion Bureau of Statistics' Advance Reports on the Fisheries of New Brunswick for the period under review gave the total value of the production of the fisheries as follows: 1934, $3,679,588; 1935, $3,949,615; and 1936, $4,399,735. The sardine fishery was described as of most importance to the Province, with the lobster fishery second, the former having market values of production for the three years, respectively, of $1,038,189, $1,335,279, and $1,597,192; and the latter, $812,045, $818,699 and $916,850. The fishing industry gave employment to 15,378 persons in 1934, 15,248 in 1935 and 16,527 in 1936.

Unemployment Relief; other Reports for 1934—1936

Relief of unemployment was a serious problem of the Government in New Brunswick during the period under review, according to the Annual Reports of the Department of Public Works which was in charge of its administration. Total expenditures on direct relief for the years ended Oct. 31, 1933 to 1936, were as follows: 1933, $1,110,345; 1934, $597,959; 1935, $573,680; and 1936, $817,006. The Report of the Deputy Minister of Public Works for the year ended in 1934 stated that from the time a minimum wage for forest labour was established in that year no direct relief had been required in the rural sections of the Province but that no such improvement was shown in the cities. His Report for the following year stated that the numbers of persons on relief in the cities had increased. The Report for the year ended in 1936 stated that a programme of public works

had largely accomplished its purpose of bringing direct relief to an end; and in August of that year it became an actuality. At the end of the year only three towns and two cities advised that the situation was beyond their financial capacity; the report attributed this largely to weak municipal administration and the organization of relief recipients.

Expenditure on road construction and maintenance was $1,569,030, $4,695,666, and $5,785,973 respectively for the years ended Oct. 31, 1934, 1935, and 1936. During 1934 and 1935, 136 miles of asphaltic concrete pavement was constructed, exclusive of towns and cities and, in 1936, contracts were let for 331 miles of asphaltic concrete pavement and 89 miles of bituminous carpet coal, the work to be completed in 1937.

The Reports of the Motor Vehicles Branch for the years, 1934-36, showed steady increase in revenue from registrations. Amounts collected from registrations were, respectively, for the three years, $764,961, $841,472 and $888,036. A reduction in the licence fee for passenger cars of 10 cents a hundredweight in the year 1936 meant a loss in revenue in the item of $74,724, but this was compensated for by the operation of regulations requiring the proper weighing of trucks Receipts from the Gasoline tax were, respectively, for the three years, 1934-36, $854,287, $1,008,809, and $1,152,478. Deaths resulting from motor vehicle accidents were: 48, in 1934; 40, in 1935; and 38, in 1936.

The Reports of the Chief Medical Officer showed the birth rate of the Province to be 23.9 per 1,000 in 1933 and 1934; 24.2, in 1935 and 1936. The marriage rate was 6.0 per 1,000 in 1933; 7.2, in 1934; 7.5, in 1935; and 7.8, in 1936. The death rate was 11.7 per 1,000 in 1933; 11.0, in 1934; 11.1, in 1935; and 11.0, in 1936. The death rate from tuberculosis reached a record low figure in 1934, being 67.1 as compared with 83.8 the year before; in 1935, it rose to 78.1; and in 1936, to 82.1. During the period under review the Health Service was administered through five health districts under District Medical Health Officers and the Chief Medical Officer reported in 1936 that this system was proving satisfactory.

According to the Annual Reports of the Workmen's Compensation Board of New Brunswick the compensation cost of accidents was $527,923 for 1933, $558,490 for 1934 and $586,329 for 1935; accidents numbered 6,683, 7,858 and 7,251 for the three years, respectively; and fatal accidents, 26, 24 and 26. For 1934 the Board reported an estimated financial deficit of $51,634; for 1935, an estimated deficit of $59,561; and for 1936, an estimated deficit of $35,382.

The 1930 Old Age Pensions Act of New Brunswick was proclaimed by the Government on Sept. 17, 1935, and became effective as from July 1, 1936. An Old Age Pensions Board was created in the same year with W. P. Jones as Director and J. G. Robichaud and R. H. Scott as Assistant Directors. The first Annual Report of the Board for the year ended Oct. 31, 1936, gave total payments for pensions for the four months, from July 1, as $469,283; and the number of pensioners at the end of the fiscal year, as 9,107, the average pension monthly payment being $13.07.

The Report of the New Brunswick Liquor Control Board for the year, 1933-34, showed sales of $2,296,138; a gross profit of $849,452; and a net profit of $557,572. For the year, 1934-35, sales amounted to $2,375,960 with a gross profit of $909,066 and a net profit of $600,762. For the year, 1935-36, sales amounted to $2,695,859 with a gross profit of $1,104,219 and a net profit of $782,742.

The New Brunswick Fire Prevention Board reported fire losses in the Province as follows: 1934, $823,523; 1935, $1,058,704; and 1936, $885,644.

Public Utilities, Power Commission, 1934—36

A Commission (composed of Judge J. A. Barry, A. H. Wetmore and James A. Whitebone) which conducted an investigation into the Saint John (Civic) Hydro-Electric Commission presented its Report to the Municipal authorities in September, 1935. It recommended: reduction in the personnel of the Commission to four paid members and the Mayor as an *ex-officio* member; that an agreement as to rates should be reached between the Commission and the New Brunswick Power Company subject to the Public Utilities Board; and that the Hydro system should be taxed by the City on the same basis as its competitor. In 1936 a proposal was under consideration by the Common Council of Saint John for the purchase of the assets of the New Brunswick Power Company, the company submitting an offer to sell all its assets, including electric utility, gas utility and street railway utility, for $3,250,000.

After protests regarding rates charged for electricity by the Maine and New Brunswick Electric Power Company in New Brunswick in 1936, the New Brunswick Electric Power Commission ordered an investigation and the Company announced a reduction in its rates.

The New Brunswick Electric Power Commission reported for the year ended Oct. 31, 1934, a deficit of $21,676; for the year, 1935, a deficit of $22,151; and for the year, 1936, a deficit reduced to $4,004. During the three years the Commission was constantly extending its services, especially to rural communities. There was an increased demand for current of 2,492,000 kilowatt hours in the year 1933-34; at Oct. 31, 1936, the Commission had a generating power capacity of 26,000 horse power as compared with 17,700 a year earlier.

The New Brunswick Motor Carrier Board reported that for the calendar year 1934 commercial motor vehicles carried 469,300 passengers and 3,601 tons of freight; and for the calendar year, 1935, 472,207 passengers and 3,877 tons of freight.

Union of Municipalities

The Union of New Brunswick Municipalities held its 1934 Annual Convention in Fredericton on Oct. 3-5; the 1935 Convention in Moncton on Sept. 23-25; and the 1936 Convention in Newcastle on Sept. 28-30. E. Claude Seeley of Lancaster was elected President of the Union for 1934-35; C. J. Veniot, M.D., President for 1935-36; and T. H. King of Moncton, President for 1936-37. At the 1934 Convention Resolutions were passed proposing that personal property should be in the same position as real estate in respect of taxes; that the Government should be requested to appoint counsel to whom municipal bills would be referred in advance of the meeting of the Legislature; that consideration should be given to assessment reform; and that the Provincial contribution to the care of pauper patients in hospitals should be increased. Resolutions adopted at the 1935 Convention proposed, among other things, the establishment of a Provincial gaol farm; the creation of a Provincial Department of Municipal Affairs; the holding of a conference by the Provincial Government and the Municipalities on unemployment; and that the Provincial Government, out of payments made to the Province by the Canadian National Railways *in lieu* of taxes, should absorb the municipalities' share of the cost of protective devices at level crossings. Among

proposals made by Resolutions at the 1936 Convention were the following: that the Provincial Government should be requested to consider the overhauling of municipal machinery, with particular reference to the administration of justice and the abolition of the grand jury system; that the Provincial Government should be requested to consider steps looking to the establishment of uniform assessment valuation standards throughout the Province and to having the other Maritime Provinces take similar steps; that the Federal Government should assume the entire cost of unemployment relief in the Province; and that the Provincial Government should embark on a programme of agricultural development involving bonusing or Government-directed colonies of agricultural workers.

The Province of New Brunswick

(As at Dec. 31, 1936)

Lieutenant-Governor ..... The Hon. Murray MacLaren, C.M.G.

The Dysart Ministry (Liberal)*

(As at Dec. 31, 1936)

Prime Minister and Minister of Public Works .. The Hon. A. A. Dysart, K.C., LL.B.
President of the Council and Minister of Education, Federal and Municipal Relations. The Hon. A. P. Paterson
Attorney-General ..... The Hon. J. B. McNair, K.C., B.C.L. (OXON.)
Provincial Secretary-Treasurer ..... The Hon. Clovis T. Richard, M.A., LL.B.
Minister of Lands and Mines ..... The Hon. Fred W. Pirie
Minister of Health and Labour ..... The Hon. William F. Roberts, M.D.
Minister of Agriculture ..... The Hon. A. C. Taylor
Chairman, New Brunswick Electric Power Commission ..... The Hon. W. S. Anderson

---

Speaker, the Legislative Assembly ..... The Hon. H. F. G. Bridges

Heads of the Administrative Services

(As at Dec. 31, 1936)

Clerk of the Executive Council ..... J. Bacon Dickson, LL.B.
Deputy Attorney-General ..... J. Bacon Dickson, LL.B.
Deputy Provincial Secretary-Treasurer ..... W. Borden Trites
Deputy Minister of Lands and Mines ..... G. H. Prince, B.S.F., M.S.C.
Deputy Minister of Public Works ..... Arthur W. Barbour
Deputy Minister of Agriculture ..... J. K. King
Superintendent of Education ..... A. Stirling McFarlane, LL.D.

---

*NOTE.—For purposes of reference the changes which occurred in the Cabinet between Dec. 31, 1936, and Dec. 31, 1938, are given herewith: the Hon. W. S. Anderson, who had been Chairman of the Electric Power Commission, became Minister of Public Works; Mr. E. J. Henneberry was appointed President of the Executive Council; and Dr. P. H. LaPorte took over the Portfolios of Health and Labour.

THE PROVINCE OF PRINCE EDWARD ISLAND

Changes in Government, 1935—1936

Previous to 1935, the MacMillan Government of Prince Edward Island had been experiencing financial difficulties, with quite large Budget deficits, but their position compared favourably with those of other Provincial Administrations. In 1935, the situation was relieved somewhat by an increase in the Dominion subsidy of $150,000, awarded as a result of the findings of the Royal Commission which had been appointed by the Dominion Government to consider the outstanding recommendations of the Duncan Commission. The Provincial Prime Minister, the Hon. W. J. P. MacMillan and the Attorney-General, the Hon. H. F. MacPhee, had presented the claims of the Province before the Commission early in the year. The Province had also received from the Dominion Government a grant of $15,000 toward the labour costs of the Falconwood Hospital which was being rebuilt by the Government.

In the interests of agriculture and other Island industries the Prime Minister made representations to the Canadian Minister at Washington in connection with the trade negotiations with the United States which were then under way. The two farm products, potatoes and turnips, which the Board of Trade had suggested should be the subject of consideration, were included in the representations, as well as fish and furs. Promise had been given to the Dairymen's Association by the Prime Minister that the Department of Agriculture would put into operation measures for the encouragement of mixed farming as a basis for dairying and live-stock production; that it would provide short agricultural courses for the purpose of improving farm practices; and that it would establish cow-testing associations and field inspection. The condition of agriculture in the Province was the reason given by the Prime Minister in April to a delegation from the P.E.I. Teachers' Federation for his refusal of their request to increase teachers' salaries.

Mr. MacMillan, in April, attended a conference in Ottawa of the Federal and Provincial Ministers of Health. In May he received from McGill University, Montreal, the Honorary degree of Doctor of Laws, and, in the same city, he opened an exhibition of the Canadian Handicrafts Guild. During the Session of the Legislature in March and April, the Prime Minister and his colleagues vigorously defended the Government against the attacks of the Opposition, led by Mr. Walter M. Lea.

On June 16, Mr. MacMillan announced that the Legislature had been dissolved on the previous day and that a General Election would be held on July 23. In the Legislature at Dissolution, consisting of 15 Councillors, representing landowners, and 15 Assemblymen, representing all citizens, the standing was: Conservatives, 16; Liberals, 12; vacancies, 2. The Liberals already had 28 candidates nominated. Their Leader, Mr. Walter M. Lea, former Prime Minister, who was ill in the hospital, had announced a preliminary platform of the Party at a banquet tendered him by his followers in Charlottetown on Apr. 6. It featured economy in all Departments of the Government and also contained promises of encouragement to agriculture and of efforts to secure Dominion assistance for fishermen. The MacMillan Government, the Prime Minister stated on July 1, were

content to face the electors on their record of sound and progressive administration. He pointed to Government accomplishments in hard-surface roads connecting main Island centres; to the reconstruction of two important Provincial institutions, the Prince of Wales College and the Falconwood Hospital for the Insane, both destroyed by fire a few years previously; to the establishment of a Department of Health; and to measures to promote mixed farming in order that so much dependence would not be placed on potato growing. Mr. MacMillan claimed that the Government had increased the liabilities of the Province by only $569,000 in two years.

The Liberal Party subsequently incorporated in its platform planks calling on the Dominion Government to assume the entire cost of Old Age Pensions, a rebate to farmers and fishermen of the gasoline tax and an investigation of gasoline prices, and an inquiry into the feasibility of the canning of potatoes and other products. On July 9 the Prime Minister announced that the Government's platform included further pressure for realization of the full claims of the Province in adjustment with the Dominion; changes in the Prince of Wales College in order to provide for the development of practical courses in agriculture; further highway hard-surfacing; promotion of the fishing industry; and reduced freight rates on Maritime shipments. During the campaign it was announced that the Dominion Government would construct at their own expense the highway from Hunter River to Rustico at a cost of approximately $125,000. It was also announced that $75,000 had been received from the Dominion Government on account of the increased subsidy award of the White Commission. The campaign was conducted with old-fashioned partisan bitterness by both sides and at the official nominations both Parties had each a full quota of candidates. The Liberal Leader (Mr. Lea) directed the campaign of his Party from a hospital room and later from his home, his condition of health not permitting active participation. Mr. Thane A. Campbell was Deputy Leader during the period.

When the results of the voting were published on July 23, showing that Liberals only had been elected, Mr. MacMillan made no comment, other than that the Election spoke for itself. Mr. Lea regarded the decision of the electorate as a public demand for economy. The new Government took office on Aug. 15, the personnel was as follows: Prime Minister, Provincial Secretary and Minister of Agriculture, the Hon. Walter M. Lea; Minister of Public Works, the Hon. H. P. McIntyre; Attorney-General, the Hon. Thane A. Campbell, K.C.; Minister of Public Health and Education, the Hon. Mark R. McGuigan, K.C.; Ministers without Portfolios, the Hon. B. W. LePage, the Hon. Lucas R. Allen, the Hon. John A. Campbell, the Hon. Marin Gallant, and the Hon. T. W. L. Prowse.

In September, a little more than a month after assuming office, the new Government called the Legislature in special Session (the First Session of the 43rd General Assembly), mainly for the purpose of securing authority for refunding operations, including a bank overdraft of around $900,000. Provision for refunding up to $3,000,000 was made in the measure enacted. In the one-day Session measures were also passed abolishing the Board of Commissioners under the Prohibition Act and transferring its duties to the Attorney-General, creating separate portfolios of Health and Education, and providing for the remuneration of Members of the Legislature who would act as members of the Treasury Board and as officials of the Legislature.

The Prime Minister, the Hon. Walter M. Lea, who had contracted pneumonia, died at Charlottetown on Jan. 10, 1936. On Jan. 13 a caucus

of the remaining 29 Members of the Legislature was held, and the following day Mr. Thane A. Campbell was asked by the Lieutenant-Governor to form a Government, the Lea Ministry having automatically resigned on the Prime Minister's death. Mr. Campbell, on accepting the Prime Ministership, invited the members of the Lea Government to return to office, with one additional member, Mr. William H. Dennis, oldest Member of the Legislature, who became Minister of Agriculture. The Hon. B. W. LePage, Minister without Portfolio in the Lea Cabinet, became President of the Council. In a By-Election, Feb. 29, 1936, in the Fourth District of Prince to fill the seat left vacant by the death of Mr. Lea, the official Liberal candidate, Mr. Horace Wright, was elected over an Independent Liberal, Mr. Douglas Bell, the vote being 925 to 252. The Prime Minister, prior to the voting, called on the electors to condemn Mr. Bell's course in seeking election and declared that he and any that supported him were reading themselves out of the Liberal Party.

The Legislature met for a brief Session of two weeks at the end of March, 1936. In May, the Prime Minister (Mr. Campbell) announced that the Province would receive $40,000 under the Dominion national parks scheme which would be additional to $95,000 to be spent on Dominion public works in the Province. In September, the Dominion authorities selected a site on the North Shore for the Island's National Park. An economic survey of the Province by the Hon. B. W. LePage was announced in October. In December, Mr. Campbell stated that while the absence of an Opposition permitted expedition in the work of Government there were reasons why an Opposition was desirable—it provided a training ground for legislators and it acted as a spur to the Party in Office.

During the period under review further grants were received by the Province from the Carnegie Foundation towards the work of the Prince Edward Island Library Demonstration but these grants ceased in 1936. Amongst other Provincial events was the unveiling in September, 1936, of a memorial at Brudenell Point to the memory of Jean Pierre Roma who had established a trading post and attempted to found a colony there in 1732.

The 1935 (Mar.-Apr.) Session of the Legislature

The final Session of the Forty-Second Legislature of Prince Edward Island was opened on Mar. 5, 1935, by the Lieutenant-Governor, the Hon. George D. DeBlois. The Speech from the Throne noted the substantial recognition given to the claims of the Province by the Royal Commission headed by Sir Thomas White, which had been appointed by the Dominion Government; the success of the Provincial Government's effort to have rates for the transportation of motor vehicles on the car ferry reduced; and the steps taken by the Government for the advancement of agriculture and, particularly, the appointment of a Marketing Board. Negotiations, it was stated, were being conducted with the object of securing wider markets for fish. An increase in tourist traffic was looked for. School enrolment had been the highest since 1922. Reference was made to the progress achieved in highway improvement, and it was stated a new ferry steamer for the Charlottetown-Rocky Point service would be provided. With the exception of farm loan legislation, no ministerial measures were specially forecast for the Session.

In the Debate on the Address-in-Reply to the Speech from the Throne, the Leader of the Liberal Opposition (Mr. Lea) congratulated the Prime Minister on the measure of success he had obtained in the Dominion

subsidy adjustment. He stated that, although the $150,000 increase was substantial, he regretted that the Government had not pressed other claims on the White Commission, particularly one for compensation for the detrimental effect of the tariff which, according to a Nova Scotia authority, was costing the people of the Island $4,000,000. Mr. Lea was sceptical of the agricultural policies of the Government. He believed that dairying and hog- and poultry-raising were the best farming lines for the Province. He claimed that the operations of the Dominion Marketing Act had been injurious to the potato interests of the Island.

Replying to the Opposition Leader's criticism, the Prime Minister (Mr. MacMillan) charged misrepresentation on the part of the Liberals. He said that the securing of an additional subsidy from the Dominion Government was in contrast to the lack of achievement in this connection by the former Liberal Administration. Mr. MacMillan declared that the Opposition could have an investigation at any time into the circumstances of a recent $1,250,000 bond issue for refunding purposes and with regard to which Mr. Lea complained because tenders had not been invited. The Prime Minister elaborated on the statement of ministerial policies contained in the Speech from the Throne.

The Debate on the Address continued until Mar. 19; it was characterized by extreme bitterness as charges and counter-charges were exchanged between speakers for the Government and the Opposition. This Debate and the Debate on the Budget, which was presented on Mar. 25, occupied most of the time of the Legislature during the Session which lasted until Apr. 4. Both Debates consisted mainly in attacks on the Government by the Opposition and the Government's defence, which included a considerable review of the record of the previous Liberal Administration. The most important legislation of this Session included: Amendments to the Gasoline Tax Act, designed to facilitate regulation of the distribution of gasoline in order to prevent competitive methods which increased costs to the consumer; Amendments giving certain powers to the Governor-in-Council to be exercised should the need arise; Amendments to the Prohibition Act designed to strengthen enforcement by authorizing arrest without warrant and search of the person; Amendments to the Highway Traffic Act to provide for licences for persons learning to drive automobiles; an Act authorizing the disposal, for educational purposes, mainly in scholarships for institutions of the Church of England, of a trust fund amounting to about $24,000 which had been accumulating under legislation of 1767 and which arose originally out of the sale of certain lands; Amendments to the Health Act designed to remove certain menaces to public health such as unsanitary buildings and the keeping of animals in places calculated to promote unsanitary conditions; and Amendments to the Insurance Act, to bring it into line with the legislation of other Provinces.

Public Accounts, Estimates, the Budget, 1935

Public Accounts for the year ended Dec. 31, 1934, tabled in the Legislature on Mar. 19, showed Total Ordinary Revenue of $1,385,771 and Ordinary Expenditure, less Sinking Funds, of $1,528,344. The Deficit of $142,567 compared with the Estimated Deficit of $24,364. Estimates for the fiscal year ended Dec. 31, 1935, as presented on Mar. 25 by Mr. MacMillan as Provincial Secretary-Treasurer, provided for Ordinary Revenue of $1,496,271 and Ordinary Expenditure of $1,599,259 which, when Sinking Funds were excluded, would leave a Surplus of $37,217.

In his Budget Speech accompanying the Estimates, Mr. MacMillan pointed out that the financial showing of the Province compared very

favourably with that of Nova Scotia and New Brunswick. He also took satisfaction from a comparison with the financial record of the former Liberal Government. He believed that the provision for Sinking Funds, amounting to about 20 per cent. of borrowings, was too generous, being much higher than that made by other Provinces. The Leader of the Opposition, in replying to the Budget Speech, criticized the Government for not having guaranteed the bank indebtedness of the Potato Growers' Association. He made an extended criticism of the financial course of the Administration. This criticism was further extended by other Opposition speakers and answered by Government Members.

The 1935 (Sept.) Session of the Legislature

The new Lea Government decided to have the Legislature meet in a special Session principally to enact legislation authorizing refunding operations. Accordingly, the First Session of the Forty-Third Legislature of the Province, composed entirely of Liberal Members, met on Sept. 25. It was opened by the Lieutenant-Governor the Hon. George D. DeBlois, and lasted for only a few hours of one day. The Prime Minister (Mr. Lea) explained, in moving the refunding Bill, that since coming into office the Government had issued bonds to the amount of $200,000, and it was principally because this was the extent of their borrowing power that the special Session had been called. The refunding measure authorized the issue of debentures to an amount up to $3,000,000 to provide money for paying a bank overdraft, permanent public works and to refund existing debentures. The Prime Minister stated that the bank overdraft amounted to about $900,000 and would reach $1,200,000 before the end of the year. He explained that the Government desired to be in a position to take advantage of any opportunity that arose for refunding existing debentures in order to effect a saving. Two of the Liberal Members of the Legislature, Mr. W. H. Dennis and Mr. H. H. Cox, objected to the Government's being given authority for the raising of money on the assumption that it might lead to extravagance.

Other measures were passed. Mr. Thane A. Campbell sponsored a Bill which provided for abolition of the Board of Commissioners under the Prohibition Act and the transfer of its functions and duties to the Attorney-General; and for remuneration to the Attorney-General of $2,000 a year. Mr. Campbell stated that the creation of the Board of Commissioners had not removed administration of the Act from politics nor had it led to economy or efficiency. He believed that $4,000 or $5,000 could be saved under the change. Formerly, the salary of the Attorney-General had been $2,000 but it had been reduced to $1,500 when it was taken over by a former Prime Minister in 1923. One Member, Mr. D. N. MacKay, opposed the measure, holding that at least it should have been left until the regular Session.

The Attorney-General introduced a Bill amending the Election Act in respect of the independence of Parliament. It provided that certain non-portfolio Members of the Legislature might receive remuneration. Those who might receive such remuneration should be members of the Treasury Board who acted as purchasing agents, the Government having dispensed with the services of former purchasing agents, and Members of the Legislature who would perform the duties of clerk and law clerk of the Assembly. Since there was no Opposition, the Government felt that Members of the Legislature could fill the latter posts at less cost than would be entailed in appointing outsiders. Another Bill divided the portfolio of Education and Public Health and provided for the Cabinet

positions of Minister of Health and Minister of Education. The day following the Session, the Prime Minister stated that the total cost of the Session had been $20 and that the saving from the refunding legislation and other measures passed would amount to more than $100,000. Each Member had been given an indemnity cheque for $10 but this was to be deducted from the annual indemnity of $400.

The 1936 Session of the Legislature

The Second Session of the Forty-Third Legislature was opened on Mar. 30, 1936, by the Lieutenant-Governor, the Hon. George D. DeBlois who, in the Speech from the Throne, voiced the sorrow of the Province at the death of His Majesty King George V and its gratification at the accession of His Majesty King Edward VIII. Subsequently, the Legislature passed a suitable Address to His Majesty, including a Message to Her Majesty the Queen.

His Honour referred also to the death of the Hon. Walter M. Lea, which had occurred during Recess.

The Speech from the Throne expressed approval of the new Trade Agreement with the United States. It spoke of the necessity for economy and stated that financial Estimates would be prepared with that in view; and that it would be necessary to explore new sources of revenue. It referred to the Dominion-Provincial Conference of December and to proposals for Amendments to the Constitution with a view to opening additional fields of revenue to the Provinces. The Government hoped, it said, for the establishment, by the Dominion, of a national park in the Island. Owing to the expiry of the Carnegie Corporation grant for public library service the Legislature would be asked to provide for carrying on the service. Results of Farming operations during the preceding year showed improvement in the industry, it was stated. The Government proposed to take measures for the revival of the live-stock industry and a particular effort would be made to assist farmers in poultry- and hog-raising. Provision would be made, the Speech said, for promoting improvement in horse-breeding and dairy-farming and assistance would be given to the fishing and fox-breeding industries. Changes would be made in highway policy.

With no Opposition to impede progress, the Legislature quickly got down to business, the Session lasting only until Apr. 18, and including a ten-day adjournment at Easter. In his Speech on the Address in Reply-to-the-Speech from the Throne the new Prime Minister, the Hon. Thane A. Campbell, discussed proposals for Amendments to The B.N.A. Act and intimated that he was not in agreement with the attitude of other Provinces against the power of amendment being transferred from the Imperial Parliament. He denied that the Dominion Government were trying to force any particular course in respect of the constitution on the Provinces. He intimated also that the Government proposed to take advantage of any constitutional change permitting the Provinces to enter new revenue fields. He protested against demands for increased expenditure after the Government had been elected on a platform of economy. He referred to the condition of the Public Accounts as more alarming than had been anticipated. The Address was moved and seconded, respectively, by Mr. P. A. McIsaac and Mr. C. C. Baker. The Prime Minister was the only other Speaker in the Debate.

In pursuance of the policy of economy was a new Road Act, replacing the Act of 1928. Whereas the old Act divided the Province into 25

divisions for purposes of road work administration, the new measure provided for 147 divisions, each in charge of one man who would not spend more than was allotted to the division by the Government. Work jobs would be let by the local foreman to the lowest bidders. In connection with a Bill to authorize the transfer of prisoners from one jail to another the Prime Minister stated that the Province was asking the Dominion for a contribution towards the establishment of a central prison farm. Another Bill passed during the Session reduced from $200 to $10 the penalty for possession of liquor under the Prohibition Act, Mr. Campbell explaining that this was intended to apply only to private persons found in possession of small quantities of liquor and not to bootleggers. The Highway Traffic Act was amended to provide that, on conviction for driving while intoxicated, the driver of a motor vehicle should have his licence suspended for 12 months for the first offence, and not more than two years for the second offence. A maximum speed limit of 45 miles an hour was fixed by the measure.

An Act provided for the establishment in the Province of credit unions or societies, designed to encourage thrift and provide sources of credit at legitimate rates of interest. Another measure gave legal status to the Prince Edward Island Co-operative Live Stock Marketing Board. The Act respecting Public Utilities was amended to give the Board of Commissioners power to collect from public utility companies costs of investigations into such utilities. Among other legislation were measures providing for a tax of $2,000 a year on each branch of a chain wholesale store doing business in the Province provided that amount was not more than one per cent. of the gross turnover, a firm having four or more branches being considered a chain; giving the City of Charlottetown authority to impose a licence fee of $10 on non-residents who obtained work in the City and to compel jobless persons to work for relief; empowering the City of Charlottetown to purchase a power plant and engage in production and distribution of electricity; and providing for strengthening the Succession Duties law in respect of the distribution of estates. The Legislature engaged in a lengthy discussion on the subject of the leasing of oyster beds and passed a Resolution criticizing the practice of the Dominion authorities in leasing beds to private individuals.

Public Accounts, Estimates and the Budget, 1936

Public Accounts tabled in the Legislature for the year ended Dec. 31, 1935, placed Ordinary Revenue at $1,524,546 and Ordinary Expenditure at $1,900,843. They gave the Gross Funded Debt as $5,754,000 and the Net Funded Debt as $4,639,966, the Total Liabilities of the Province having increased by $952,292, between Dec. 31, 1934, and Dec. 31, 1935.

In his first Budget Address on Apr. 14, 1936, the Hon. Thane A. Campbell, as Provincial Secretary-Treasurer, presented the Estimates for the fiscal year ending Dec. 31, 1936. Ordinary Expenditures were estimated at $1,709,597 and Ordinary Revenues at $1,639,266. Capital Expenditures were estimated at $186,500 against Capital Revenues expected to be $149,885. Capital Revenue Estimates provided undetermined sums for purchase of a site for a national park to be turned over to the Dominion Government, establishment of a jail farm and for unemployment relief projects. Emphasizing the "alarming aspect" of the Province's financial situation, Mr. Campbell said that he expected to cut down the Ordinary Expenditures by more than $200,000; that a Policy of "drifting" pursued during the previous four years had increased the Liabilities of the Prov-

ince to the sum of $1,879,000. If such a policy were continued, he said, it would be only a question of time before the Province would be lead into bankruptcy. As Expenditures on ordinary Public Services had been reduced already, Mr. Campbell hoped that, by further economies and still more careful fostering of Revenues, a balanced Budget would be obtained for 1937.

The Motion to adopt the Budget Address was made by Mr. LePage, Member for Charlottetown, and was seconded by Mr. George Saville, Member for Fifth District of King's.

Government Departments, 1935—1936

The Department of Agriculture reported the following figures of livestock population of the Province for the years 1934, 1935 and 1936 respectively, cattle: 96,800, 95,600 and 92,700; horses: 27,410, 27,950 and 27,640; sheep: 54,100, 50,200 and 48,800; and swine: 31,500, 38,300 and 41,830. Principal field crop yields were given as follows: wheat, $468,720, $391,500 and $255,000; oats, $2,026,000, $1,853,000 and $2,065,000; potatoes, $1,254,000, $2,132,000 and $3,389,000; turnips, $727,000, $679,000 and $958,000.

The total production of butter, dairy and creamery, during each of the 3 years, 1934-36, was: in 1934, 3,792,400 lb., valued at $850,300; in 1935, 3,534,000 lb., at $703,300; and, in 1936, 3,934,800 lb., at $827,100. The production and value of manufactured cheese in 1934, 1935 and 1936, was, respectively, 340,000 lb. and $34,700; 229,000 lb. and $26,300; and 283,000 lb. and $35,400.

The values of pelts of fur-bearing animals produced in Prince Edward Island for each of the 3 years (ended June 30) 1934, 1935 and 1936, were as follows: $540,355, $653,238 and $2,119,706. The increase in 1936 in fur production (almost entirely silver fox pelts) was due (according to the Dominion Bureau of Statistics) to the change in the source used for the information.

The total value (at the point of landing) of fish of all kinds caught by Prince Edward Island fishermen during each of the 3 years, 1934, 1935 and 1936, was, respectively, as follows: $695,114, $640,764 and $725,417. Lobsters were by far the most valuable product of the fisheries in each of the 3 years.

The Department of Public Works and Highways reported the following expenditures for the years 1934, 1935, and 1936 respectively: ordinary expenditure—$370,812, $503,287 and $280,048; maintenance of public buildings—$128,022, $155,925 and $142,453; capital account—$151,635, $150,234 and $104,529; and Relief Act, $193,595, $908,992 and $495,810.

The Department of Public Health gave vital statistics for the three years 1934-36 as follows: birth—1,855, 2,005 and 1,926; marriages—535, 514 and 594; deaths—938, 994 and 978. In 1934 the Province exceeded all the other Provinces in the tuberculosis mortality rate but, during the next two years, substantial gains were made against this disease. On June 30, 1936, the agreement with the Canadian Life Insurance Officers' Association, under which the Association contributed $15,000 a year to health work in the Province—the Association making an additional contribution of $5,000 in 1936—was terminated; it required a larger financial provision by the Government. The Reports of the Medical Superintendent of the Falconwood Hospital showed that there were 255 patients in the hospital at the end of 1934; 256 at the end of 1935; and 260 at the end of 1936.

The Reports of the Chief Superintendent of Education showed that for the three years 1934-36 under review, schools in operation in the Province numbered, respectively, 478, 477 and 476; the enrolment was, respectively, 18,358, 18,247, and 18,183. Inability to pay adequate salaries to teachers was a difficulty in the work of the Department of Education during the period. Enrolment in St. Dunstan's University for the year 1934-35 was 120 and for the next year, 115. Degrees conferred for the two years numbered 20 and 12, respectively. In the former year the Rev. George A. Macdonald, formerly of the University of Toronto, became Professor of Physics, and the Rev. G. R. Ellsworth, formerly of the Catholic University of America, became Professor of Biology. In 1935-36 between 90 and 100 study clubs were organized. Prince of Wales College and the Provincial Normal School had an enrolment of 461 in 1934, 404 in 1935 and 504 in 1936.

Operations of the Old Age Pensions Commission, according to the Public Accounts, resulted in revenue of $124,568 and expenditure of $166,495 in 1934; revenue of $143,707 and expenditure of $192,099 in 1935; and revenue of $160,279 and expenditure of $213,654 in 1936.

The Province of Prince Edward Island

(As at Dec. 31, 1936)

Lieutenant-Governor ..... The Hon. George D. DeBlois

The Campbell Ministry (Liberal)

(As at Dec. 31, 1936)

Premier, Provincial Secretary-Treasurer, Attorney and Advocate General ..... The Hon. Thane A. Campbell, K.C.
Minister of Public Works and Highways ..... The Hon. James P. McIntyre
Minister of Education and Public Health ..... The Hon. Mark R. MacGuigan, K.C.
President of the Executive Council ..... The Hon. Bradford W. LePage
Minister of Agriculture ..... The Hon. William H. Dennis
Minister without Portfolio ..... The Hon. Lucas R. Allen
Minister without Portfolio ..... The Hon. John A. Campbell
Minister without Portfolio ..... The Hon. Marin Gallant
Minister without Portfolio ..... The Hon. T. William L. Prowse

---

Speaker, Legislative Assembly ..... The Hon. S. S. Hessian, K.C.

Heads of the Administrative Services

(As at Dec. 31, 1936)

Deputy Provincial Secretary-Treasurer ..... Major P. S. Fielding, M.M.
Clerk of the Executive Council ..... Major P. S. Fielding, M.M.
Superintendent of Insurance ..... Major P. S. Fielding, M.M.
Clerk of the Legislature ..... C. St. Clair Trainor
Law Clerk ..... J. Watson MacNaught
Supervisor of Taxation ..... C. J. Stewart, M.C.
Registrar of Motor Vehicles ..... Cyriac Gallant
Provincial Auditor ..... W. E. Massey, C.A.
Legislative Librarian ..... Miss Jean Gill
Deputy Minister of Public Works and Highways ..... L. B. MacMillan
Provincial Health Officer ..... B. C. Keeping, M.D., D.P.H.
Superintendent of Education ..... Herbert H. Shaw, B.SC.
Chief Clerk, Department of Education ..... P. S. Bradley
Commissioner of Crown Lands ..... W. H. Kiggins

STATISTICAL SURVEY, 1935 AND 1936,

OF

ECONOMIC AND SOCIAL CONDITIONS

By

R. H. Coats, LL.D., F.R.S.C., F.S.S. (Hon.)

In February, 1933, the bottom of the most severe depression of modern times was reached, from which date until the end of 1936 the movement towards economic recovery was almost continuous. Perhaps the best single measurement of this progress is the Dominion Bureau of Statistics index of the physical volume of business, made up of 46 leading factors. This index, which stood at 67.0 in February, 1933, had risen to 86.2 at the end of that year, was 92.4 at the end of 1934, was 106.2 at the end of 1935, and was 118.4 at the end of 1936, with only minor halts or temporary recessions during the whole of that interval.

From the charts and tables herewith, developments during 1935 and 1936 may be studied in detail. The charts are three in number. In the first, the extent of the increase or decrease of 43 economic factors during the year 1936 as compared with 1935 is given. In the second chart the trend during the recent years of three governing factors is given, namely: (1) the price of common stocks, as indicative of speculative activity; (2) the trend of the long-term rate of interest, as indicated by bond yields; (3) the physical volume of business. In a third chart the volume of employment during each year subsequent to the peak year 1929 is shown.

As in previous volumes of *The Canadian Annual Review,* the statistics are given in two tables: Table I showing the main statistics for the calendar year 1936 as a whole, compared with the two preceding years, whilst in Table II the more important records of progress from month to month are given, by way of illustrating the seasonal character of the trend.

The following is a brief review of the outstanding characteristics of 1935 and 1936, respectively, from an economic standpoint:

Year 1935

General business moved irregularly upward, maintaining and adding momentum to the recovery begun during the second quarter of 1933 and continued in 1934. Field crops, notwithstanding a decline in wheat, were in larger volume than in the preceding year, though lower prices more than offset this gain, notably in coarse grains and fodder, the total estimated value of the crops being 8 per cent. below those of 1934. On the other hand, industrial production showed marked gains, especially in iron and steel and the other base materials. The automobile industry recorded a gain of approximately 30 per cent., and manufacturing generally showed expansion. Mining recorded a gain of 11 per cent., the value of production being only slightly under the peak year of 1929; the quantity production of gold, copper, nickel and zinc established new records.

Electric power production also reached a new peak, with a gain of over 10 per cent. from 1934. The forestry group of industries was active, newsprint production increasing 6 per cent., and the exports of wood pulp 9 per cent.; exports of planks and boards declined slightly, but those of shingles almost doubled over the preceding year.

General employment throughout Canada was up by over 7 per cent.

A stimulating influence in the general situation was the supply of cheap money, reflected in the high prices of Government bonds, and in the increased security holdings and readily available assets of the banks.

In external trade, exports recorded a 12 per cent. gain, and imports, one of 7 per cent.

The business year closed in a definitely improved tone, though unemployment remained a pressing problem, and construction and investment in capital works had not kept pace with the majority of factors.

Year 1936

The record for 1936 continued and exceeded that of 1935. Severe drought conditions over a large section of the Prairies again led to disappointing agricultural yields, though the loss was retrieved by marked gains in prices, with the result that the monetary return from the crops was greater than in any year since 1930. The high grade of wheat was also a compensating factor. There was an increase of 18 per cent. in slaughterings, and of 4 per cent. in butter production. Minerals showed a further gain of 16 per cent. over 1935, the previous peak year; gold production had now doubled in ten years. Newsprint production came close to the limit of capacity, reaching a new high point with a gain of 16 per cent. over the previous year, though at low prices. Sawmill output increased, and electric power production reached a new peak. Manufacturing output was 10 per cent. higher.

A constructive development of the year was a gain of 23 per cent. in exports and of 15 per cent. in imports, a reflection of improved world trade and of the disposition of the wheat carryover.

Railway car loadings were up about 6 per cent., while general employment continued to advance.

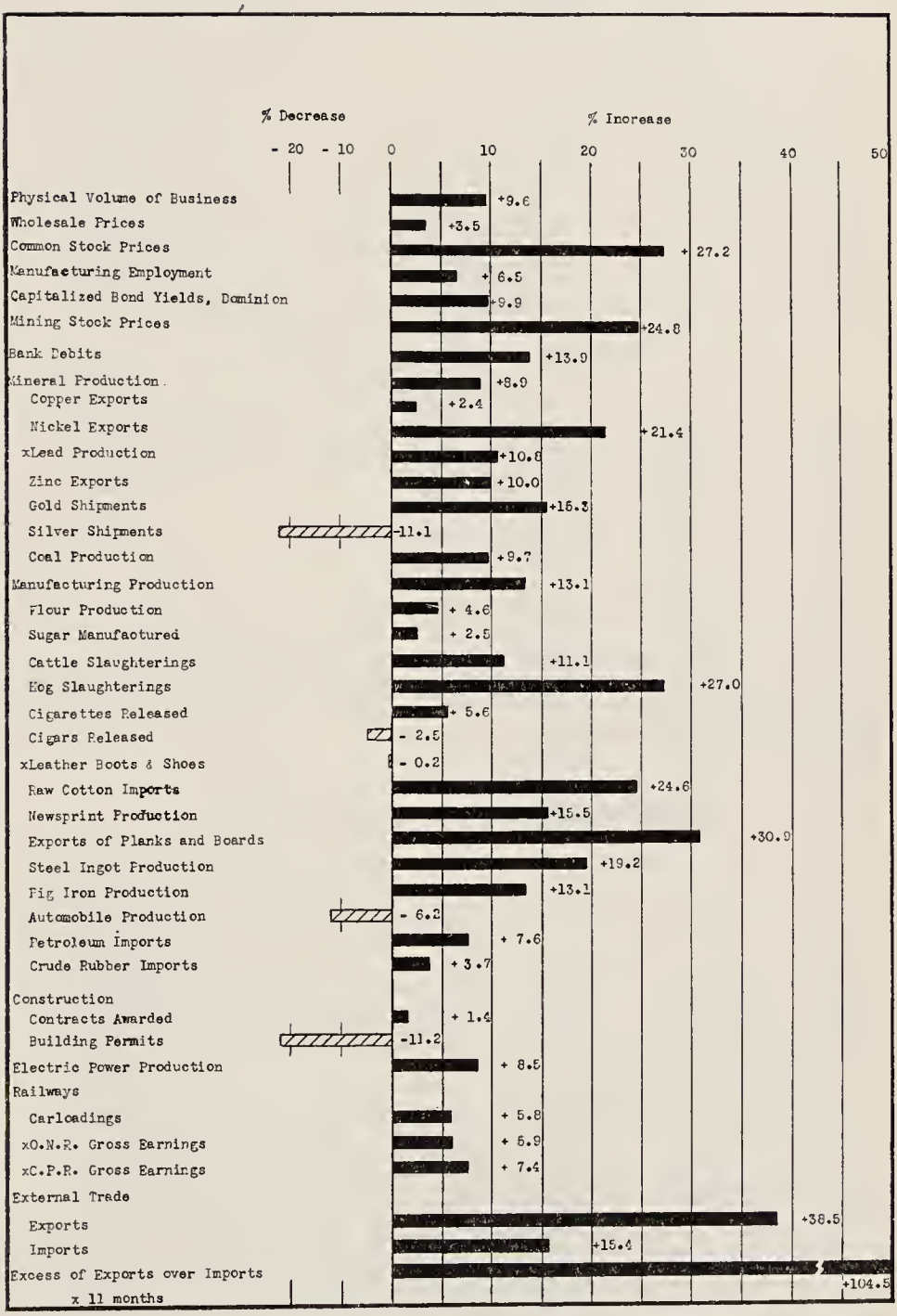
Wholesale prices remained steady and the stock market was buoyant. In banking, current loans, after declining for nearly seven years, turned upward in the last half of 1936. There were very material gains in public revenues.

At the close of 1936, though construction remained on a low level, much of the ground lost in the earlier years of the depression had been regained and there was as yet no intimation of interruption in the recovery process.

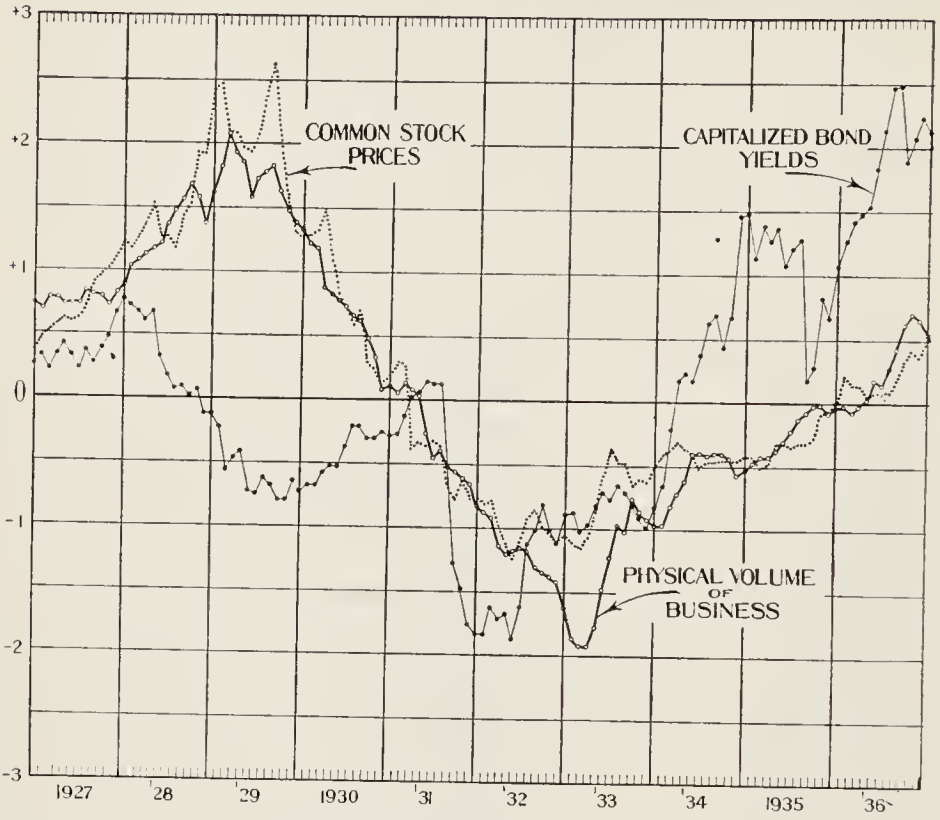
The Economic Situation of Canada

Statistics For The Year 1936

As Compared With 1935

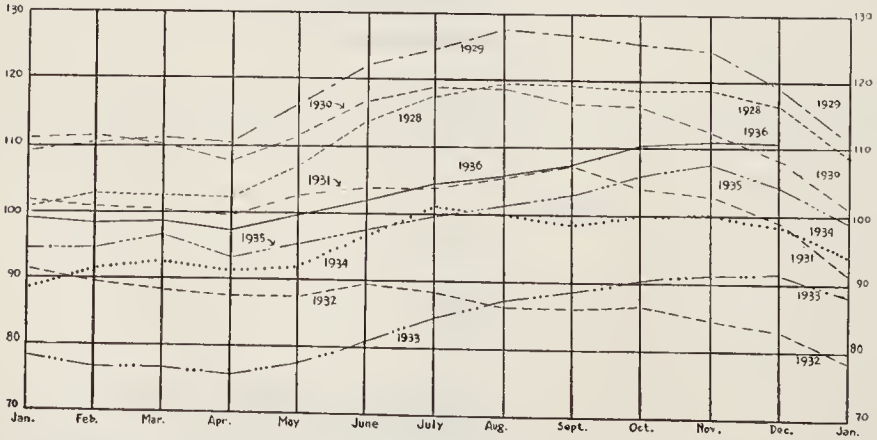


Fundamental Economic Conditions in Canada, 1926-1936



NOTE.—The above chart illustrates the trend of (1) speculation (prices of common stocks), (2) the physical volume of business, and (3) the credit situation as reflected by the amount of investment in standard bonds necessary to secure a fixed income. The lines are expressed in multiples of a standard deviation from a common average, so that the degree of deviation from month to month is strictly comparable.

Employment in Canada, 1928-1936



NOTE.—The curve is based upon the number of employees at work on the first day of the month as indicated by Employers in Industries (other than Agriculture) reporting to the Dominion Bureau of Statistics (average employment during the calendar year 1926 as 100).

TABLE I.

Statistical Summary of Economic and Social Conditions in Canada in the Calendar Year 1936 as Compared with the Two Preceding Years

Items	1934	1935	1936
I. POPULATION:	(000 omitted)	(000 omitted)	(000 omitted)
Immigration ..... No.	12	11	12
Emigration to U.S.[1] ..... No.	8	8	10
Births[2] ..... No.	221	221	220
Deaths[2] ..... No.	102	106	107
Total Population (Estimated) ..... No.	10,824	10,935	11,028
II. PRODUCTION:			
1. Agriculture:			
Wheat ..... Bu.	275,849	281,935	219,218
$	169,631	173,065	205,327
Oats ..... Bu.	321,120	394,348	271,778
$	103,124	93,409	116,267
Barley ..... Bu.	63,742	83,975	71,922
$	29,975	24,465	49,512
Total Field Crops ..... Ac.	55,990	57,016	58,147
$	549,080	511,873	612,300
Live Stock: on Farms $	413,837	489,326	527,298
Marketed[3] ..... $	99,016	119,355	128,769
Poultry Marketed ..... $	11,061	12,671	12,468
Butter (creamery) ..... Lb.	234,853	240,919	250,932
$	48,169	52,228	57,662
Cheese (factory) ..... Lb.	99,347	100,427	119,123
$	84,974	10,570	15,566
Total Dairy Production ..... $	183,791	193,487	211,422
Total Agricultural Revenue.. $	942,837	952,431	1,079,571
2. Furs (season ending June 30) $	12,349	12,843	15,465
3. Fisheries:			
Salmon ..... $	12,875	12,540	13,868
Cod ..... $	3,328	2,758	3,332
Lobster ..... $	4,270	4,379	4,383
Total Fisheries Products..... $	34,022	34,428	39,165
4. Forestry:			
Forestry Operations ..... $	105,540	115,462	134,804
Sawmill Products (net) ..... $	24,772	29,325	35,983
Pulpmill Products (net)[4].... $	36,219	37,204	41,067

[1] Statistics of U.S. Bureau of Immigration.
[2] Registration area all Canada exclusive of Yukon and N.W. Territories.
[3] Cattle, sheep and hogs.
[4] Fuel and electricity not deducted, as they are not separately reported for pulpmills.

STATISTICAL SUMMARY—Continued

ITEMS	1934	1935	1936
II. PRODUCTION—*Continued*	(000 omitted)	(000 omitted)	(000 omitted)
5. MINERALS:			
METALS:			
Gold ..... Oz.	2,972	3,285	3,748
Standard $	61,438	67,905	77,479
Premium on gold produced $	41,098	47,691	53,815
Silver ..... Oz.	16,415	16,619	18,334
$	7,791	10,767	8,274
Lead ..... Lb.	346,275	339,105	383,181
$	8,437	10,625	14,994
Zinc ..... Lb.	298,580	320,650	333,183
$	9,088	9,937	11,045
Nickel ..... Lb.	128,687	138,516	169,739
$	32,139	35,345	43,877
Copper ..... Lb.	364,761	418,998	421,028
$	26,671	32,312	39,514
NON-METALS:			
Coal ..... Ton	13,810	13,888	15,229
$	42,046	41,963	45,792
Natural Gas ..... M. cu. ft.	23,164	24,911	28,113
$	8,760	9,363	10,762
Asbestos ..... Ton	156	210	301
$	4,936	7,055	9,958
Structural Materials and Clay Products ..... $	19,287	23,215	25,771
Total Mineral Production .... $	278,161	312,344	361,919
6. MANUFACTURES:			
Vegetable Products ..... $	491,901	523,674	597,462
Animal Products ..... $	325,704	351,644	397,955
Textile Products ..... $	326,452	340,795	366,285
Wood and Paper ..... $	403,175	439,464	497,104
Iron and Its Products ..... $	315,507	398,401	453,386
Non-Ferrous Metals and Products ..... $	237,234	288,523	351,165
Non-Metallic Mineral Products ..... $	155,197	162,333	177,772
Chemical and Allied Products ..... $	108,052	118,574	126,875
Miscellaneous Industries .... $	30,472	30,503	34,401
Total Manufactures ..... $	2,393,693	2,653,911	3,002,404
Total Employees Monthly Average ..... No.	520	557	594
Total Salaries and Wages... $	503,851	559,468	612,071
Central Electric Stations.... $	124,464	127,178	135,865
Significant Items:			
Central Elec. Stations.. K.W.H.	21,197	23,283	25,402
Pig Iron (production) Long Ton	405	600	678

STATISTICAL SUMMARY—Continued

Items	1934	1935	1936
II. PRODUCTION—*Continued*	(000 omitted)	(000 omitted)	(000 omitted)
6. Manufactures—*Continued*			
Steel Ingots and Castings (production) .....Long Ton	758	942	1,116
Flour (production) .....Bbl.	14,666	14,137	14,932
Newsprint (production)...Ton	2,599	2,765	3,225
Sugar (raw, imports) ....Lb.		569,694	665,862
Rubber (crude, imports)..Lb.	63,701	60,215	62,439
Cotton (raw, imports) ....Lb.	143,475	120,621	149,504
Petroleum (crude, imports) .....Gal.	1,072,327	1,188,873	1,259,294
7. Construction:			
Building Permits (61 Cities) .....$	27,458	46,561	41,326
Contracts Awarded .....$	125,812	160,305	162,588
III. EXTERNAL TRADE:	1933-34[5]	1934-35[5]	1935-36[5]
1. Exports:	(000 omitted)	(000 omitted)	(000 omitted)
Total—Domestic .....$	665,954	756,626	849,030
Foreign .....$	6,311	7,659	13,442
(*a*) *Component Material Classification (domestic only)*:			
Vegetable Products .....$	205,805	226,233	242,862
Animal Products .....$	75,151	86,848	100,932
Textiles .....$	7,829	7,523	10,274
Wood and Paper .....$	143,142	160,933	181,832
Iron and Its Products .....$	26,641	40,736	52,368
Non-Ferrous Metal Products .....$	168,375	191,345	212,547
Non-Metallic Minerals .....$	14,809	15,654	19,084
Chemicals .....$	13,844	15,270	16,018
All other .....$	10,358	12,083	13,114
(*b*) *Purpose Classification:*			
Food .....$	238,073	240,600	268,041
Clothing .....$	5,684	7,258	8,446
Industrial Equipment .....$	3,557	5,007	5,310
(*c*) *Degree of Manufacture:*			
Raw Materials .....$	211,470	237,787	263,828
Partly Manufactured .....$	210,754	233,355	260,962
Fully or Chiefly Manufactured .....$	243,730	285,484	324,240
2. Imports:			
Total Merchandise .....$	433,799	522,431	562,719
(*a*) *Component Material Classification:*			
Vegetable Products .....$	90,829	109,419	110,343
Animal Products .....$	19,842	19,957	24,314
Textiles .....$	79,372	81,798	89,814
Wood and Paper .....$	19,358	21,200	23,272
Iron and Its Products .....$	69,127	100,056	114,254

[5] Fiscal year ended Mar. 31.

STATISTICAL SUMMARY—Continued

Items	1933-34[5]	1934-35[5]	1935-36[5]
III. EXTERNAL TRADE—*Cont.*			
2. Imports—*Continued*	(000 omitted)	(000 omitted)	(000 omitted)
Non-Ferrous Metal Products ....$	20,171	28,497	33,686
Non-Metallic Minerals ....$	83,397	102,428	105,421
Chemicals ....$	25,584	28,872	29,920
All other ....$	26,119	30,204	31,696
(*b*) *Purpose Classification:*			
Food ....$	52,217	63,736	67,399
Clothing ....$	7,698	8,611	8,978
Industrial Equipment ....$	18,292	24,830	27,941
(*c*) *Degree of Manufacture:*			
Raw Materials ....$	130,518	158,574	165,551
Partly Manufactured ....$	38,536	48,037	60,622
Fully or Chiefly Manufactured ....$	264,744	315,820	336,546
IV. INTERNAL TRADE:			
1. Total Wheat Receipts at Fort William & Port Arthur (crop years)....Bu.	(Ended July 31) 143,691	(Ended July 31) 144,514	(Ended July 31) 132,759
2. Inspected Slaughterings:	1934	1935	1936
Cattle and Calves ....Head	1,347	1,376	1,523
Swine ....Head	2,872	2,806	3,563
Sheep ....Head	854	861	831
3. Cold Storage Holdings as of Jan. 1st:			
Butter[6] ....Lb.	22,027	32,423	32,303
4. Loaded at Stations in Canada:			
Agricultural or Vegetable Products ....Ton	13,852	13,255	14,044
Animal Products ....Ton	1,120	1,164	1,580
Mine Products ....Ton	16,262	17,093	19,279
Forest Products ....Ton	7,062	7,352	7,235
Manufactures ....Ton	10,974	11,507	12,696
Total ....Ton	49,269	50,371	54,633
V. PRICES:			
1. Wholesale Prices Indexes: (1913=100)			
(*a*) *Component Material Classification:*	Index No. (1913=100)	Index No. (1913=100)	Index No. (1913=100)
Vegetable Products	114.7	115.9	125.0
Animal Products	94.8	99.3	101.3
Textiles	125.2	120.6	119.6
Wood and Paper	102.4	101.1	107.2
Iron and its Products	126.2	126.5	127.7
Non-Ferrous Metal Products..	65.3	70.2	71.1
Non-Metallic Minerals	151.4	150.6	150.6
Chemicals	128.1	124.8	123.1
General Index	111.8	112.6	116.5
(*b*) *Purpose Classification:*			
Food, Beverages and Tobacco	112.8	114.0	118.8
Clothing	113.7	113.7	113.7
Producers' Equipment	161.4	163.0	163.4

[5] Fiscal year ended Mar. 31.
[6] Including dairy butter.

STATISTICAL SUMMARY—Continued

Items	1934	1935	1936
V. PRICES—*continued*	Index No. (1913=100)	Index No. (1913=100)	Index No. (1913=100)
(c) *Classified by Degree of Manufacture:*			
Raw Materials	99.5	103.4	110.9
Manufactured Articles	113.3	112.3	113.6
2. Retail Prices and Cost of Living	120.3	121.0	123.6
3. Security Prices:			
Common Stocks, Index Number (General)[7]	121	121	121
VI. TRANSPORTATION AND COMMUNICATION:	(000 omitted)	(000 omitted)	(000 omitted)
1. Railways:			
Gross Revenues $	300,838	310,107	334,769
Operating Expenses $	252,000	263,943	283,346
Revenue Freight, 1,000,000 Ton Miles	23,320	24,235	26,414
Passengers Carried No.	20,531	20,032	20,498
2. Electric Railways:			
Gross Revenues $	40,048	40,442	41,392
Operating Expenses $	28,037	28,009	28,807
Passengers Carried No.	595,144	600,728	614,891
3. Motor Vehicles:			
Registrations No.	1,130	1,176	1,240
4. Canals:			
Freight Ton	18,069	18,206	21,467
5. Shipping:			
Reg. Net Tonnage Entered	82,852	86,431	86,347
Reg. Net Tonnage Cleared	86,431	85,977	85,971
6. Telegraphs:			
Land Messages sent No.	8,992	9,566	11,002
Revenues (Total) $	9,973	9,741	10,379
7. Telephones No.	1,197	1,209	1,266
8. Post Office Revenue[8] (net) $	30,367	31,248	32,508
Money Orders Issued[8] $	107,471	114,833	121,811
VII. LABOUR:			
1. Employment Indexes:			
(Average Calendar Year, 1926=100)	Index No.	Index No.	Index No.
General Index	96.0	99.4	103.7
Manufacturing	90.2	97.1	103.4
Logging	124.7	126.9	138.7
Mining	110.8	123.3	136.5
Transportation	80.3	81.2	84.1
Construction and Maintenance	109.3	97.8	88.2
Trade	117.9	122.1	127.5
2. Unemployment in Trade Unions p.c.	18.2	15.4	13.2

[7] No Annual Figures. [8] Fiscal Year.

STATISTICAL SUMMARY—Continued

ITEMS	1934	1935	1936
VII. LABOUR—*Continued*			
3. EMPLOYMENT SERVICE STATISTICS:			
Applications .....No.	724,365	656,421	680,053
Vacancies .....No.	427,792	376,574	355,376
Placements .....No.	406,091	353,802	331,450
4. WAGES INDEXES: (1913=100)	Index No.	Index No.	Index No.
General Index	170.5	175.4	178.6
Building Trades	154.8	159.8	160.8
Metal Trades	168.0	169.7	170.1
Printing Trades	183.5	184.5	185.2
Steam Railways	173.7	183.9	183.9
Electric Railways	182.4	183.7	185.5
Coal Mining	162.9	165.8	165.9
Logging and Sawmilling	145.1	152.3	165.9
5. STRIKES AND LOCKOUTS:			
Disputes in Existence.....No.	191	120	156
Employees Affected .....No.	45,800	33,269	34,812
Time lost in Working Days .....No.	574,519	288,703	276,997
VIII. FINANCE:	(000 omitted)	(000 omitted)	(000 omitted)
1. DOMINION:			
Ordinary Revenue .....$	324,071	358,475	372,222
Ordinary Expenditure .....$	351,771	359,701	372,539
Total Disbursements .....$	458,158	478,107	532,586
Gross Debt .....$	3,141,042	3,205,956	3,431,944
Active Assets .....$	411,064	359,846	425,843
Net Debt .....$	2,729,978	2,846,111	3,006,100
2. PROVINCIAL:			
Ordinary Revenue .....$	175,867	160,568	232,616
Ordinary Expenditure .....$	229,484	181,176	248,142
3. CURRENCY: (12 month averages)			
Dominion or Bank of Canada Notes in Circulation .....$	190,262	127,335	105,275
Metallic Reserve[8] .....$	70,250	182,148	181,634
Bank Notes in Circulation..$	135,538	125,644	119,507
4. CHARTERED BANKS:			
Assets .....$	2,837,920	2,956,578	3,144,507
Liabilities (excluding Capital and Reserve) .....$	2,548,720	2,667,950	2,855,622
Demand Deposits .....$	513,974	568,615	618,341
Notice Deposits .....$	1,372,818	1,445,281	1,518,217
Other Current Loans in Canada .....$	868,941	828,722	698,688
5. FIRE INSURANCE:			
Amount at Risk, Dec. 31....$	8,804,841	8,782,698	9,248,273
Premium Income for Year..$	41,468	40,885	40,218

[8] Gold coin and bullion, and silver bullion, held by the Bank of Canada at Dec. 31 of each year. This reserve also covers the notes of the chartered banks. For 1934 gold held by Minister of Finance for redemption of Dominion notes.

STATISTICAL SUMMARY—Continued

ITEMS	1934	1935	1936
VIII. FINANCE—*Continued*	(000 omitted)	(000 omitted)	(000 omitted)
6. LIFE INSURANCE:			
Amount at Risk, Dec. 31....$	6,220,726	6,259,158	6,403,037
Premium Income for Year..$	202,584	200,158	200,541
IX. GENERAL BUSINESS:			
1. BANK CLEARINGS .....$	15,963,570	16,927,486	19,202,527
2. BANK DEBITS .....$	32,866,673	31,546,066	35,928,607
3. BANKRUPTCIES (Dun) .....No.	1.60	1.36	1.23
Liabilities (Dun) .....$	19,042	13,094	11,314
4. NET SALES OF LIFE INSURANCE..	376,456	348,770	359,727
5. STOCK EXCHANGE TRANSACTIONS: INDUSTRIES AND MINES			
Montreal .....No. of Shares	28,861	23,742	85,012
Toronto .....No. of Shares	341,424	173,228	450,783

TABLE II.

Statistics Illustrating the Social and Economic Trend, in Canada during 1935 and 1936

1. POPULATION

Population estimated June 1st, 1935—10,935,000
" " " " 1936—11,028,000

Month	Immigration	Emigration to United States	Returned Canadians from the United States	Live Births	Deaths
1935	No.	No.	No.	No.	No.
Jan.	568	453	453	18,044	9,501
Feb.	559	366	492	16,918	9,171
Mar.	789	461	623	19,355	10,153
Apr.	964	505	830	19,467	9,630
May	1,020	537	676	20,064	9,648
June	1,061	603	601	18,976	8,210
July	1,050	691	521	19,357	8,036
Aug.	1,324	900	523	18,756	7,934
Sept.	1,160	929	485	18,880	7,851
Oct.	1,160	779	449	17,901	8,207
Nov.	916	691	347	16,662	8,129
Dec.	706	500	378	17,071	9,097
Total	11,277	7,515	6,378	221,451	105,567
1936					
Jan.	499	535	322	17,871	9,388
Feb.	550	430	300	17,825	9,218
Mar.	693	487	382	19,991	9,948
Apr.	1,015	586	484	19,330	9,460
May	1,340	612	504	19,480	9,380
June	1,155	778	544	18,770	8,454
July	1,239	933	536	19,422	9,197
Aug.	1,029	1,075	469	18,674	7,640
Sept.	1,227	1,264	438	18,235	7,816
Oct.	1,300	1,191	434	17,640	8,520
Nov.	901	987	363	16,220	8,668
Dec.	695	808	392	16,913	9,361
Total	11,643	9,686	5,168	220,371	107,050

2. PRODUCTIVE ACTIVITY

Month	Production of Pig Iron	Production of Steel Ingots and Castings	Production of Coal	Contracts Awarded	Building Permits
1935	Long Ton	Long Ton	Short Ton	$(000)	$(000)
Jan.	44,416	59,526	1,520,325	10,220	883
Feb.	37,259	56,006	1,018,092	10,672	3,602
Mar.	44,727	57,840	1,038,668	8,499	4,023
Apr.	43,388	68,530	892,896	11,379	6,300
May	45,432	72,811	926,493	16,302	4,728
June	44,555	73,450	930,093	18,521	5,105
July	50,513	86,101	981,080	18,549	4,396
Aug.	54,414	82,488	987,846	23,837	4,312
Sept.	54,360	90,952	1,118,198	14,743	3,332
Oct.	45,521	95,016	1,558,683	14,925	4,030
Nov.	64,562	94,074	1,622,322	8,291	3,448
Dec.	70,728	104,733	1,293,310	4,365	2,402
Total	599,875	941,527	13,888,006	160,303	46,561
1936					
Jan.	61,336	100,225	1,391,288	13,610	1,303
Feb.	55,751	93,365	1,492,431	8,228	1,921
Mar.	54,009	101,092	1,028,417	10,289	2,369
Apr.	54,045	107,220	937,740	9,815	3,237
May	58,832	94,602	999,754	14,963	4,836
June	56,362	82,196	1,038,224	20,803	4,657
July	34,988	68,793	1,064,843	17,869	5,030
Aug.	38,570	80,164	1,056,032	15,536	3,673
Sept.	51,892	86,077	1,448,051	16,559	3,657
Oct.	70,051	98,330	1,808,166	14,957	4,263
Nov.	74,337	98,534	1,467,155	13,840	3,098
Dec.	68,058	105,181	1,497,081	6,119	3,282
Total	678,231	1,115,779	15,229,182	162,588	41,326

3. SALIENT STATISTICS OF SIX IMPORTANT INDUSTRIES

Month	Flour Production	Sugar Manufactured*	Raw Rubber Imports	Raw Cotton Imports	Newsprint Production	Crude Petroleum Imports
1935	(000 Bbl.)	(000 Lb.)	(000 Lb.)	(000 Lb.)	Ton	(000 gal.)
Jan.	1,020	29,801	5,980	11,068	201,959	59,948
Feb.	923	25,679	3,491	6,194	180,305	53,576
Mar.	1,073	24,415	6,071	11,242	205,682	43,647
Apr.	941	49,613	2,380	8,836	222,244	40,446
May	1,170	77,520	8,801	6,316	242,684	113,132
June	990	87,364	3,215	7,397	232,020	131,873
July	1,014	89,976	2,955	9,913	234,266	133,651
Aug.	1,162	95,074	6,304	7,027	236,060	126,730
Sept.	1,537	71,183	3,594	5,857	223,892	127,018
Oct.	1,845	203,882	1,819	10,770	266,591	133,728
Nov.	1,579	137,439	9,832	13,814	262,854	137,399
Dec.	971	88,679	5,746	22,187	244,732	55,640
Total	14,225	980,625	60,188	120,621	2,753,289	1,156,788
1936						
Jan.	955	24,045	3,938	19,939	227,955	61,131
Feb.	1,034	20,770	4,256	11,724	221,569	39,655
Mar.	1,186	22,331	4,052	13,558	243,900	65,383
Apr.	1,026	46,455	2,416	7,123	258,721	54,143
May	1,144	86,330	4,975	9,859	267,067	103,518
June	1,173	92,455	4,574	7,416	270,051	153,619
July	1,309	94,693	5,095	5,818	274,627	121,336
Aug.	1,340	93,841	8,467	7,097	270,053	146,314
Sept.	1,535	78,496	5,361	9,263	269,782	134,048
Oct.	1,686	101,693	6,966	16,543	301,106	158,755
Nov.	1,496	141,335	9,649	21,105	285,771	146,192
Dec.	1,054	253,140	2,673	20,843	289,312	60,569
Total	14,938	1,055,584	62,422	150,288	3,179,914	1,244,663

*Sugar statistics are given in thirteen periods of four weeks each.

4. TRADE STATISTICS

Month	Imports	Exports (Domestic)	Cold Storage Stocks at first of month mentioned		Wheat Receipts Ft. William & Pt. Arthur
			Eggs	Butter	
1935	$(000)	$(000)	(000 Doz.)	(000 Lb.)	(000 Bu.)
Jan.	37,229	43,902	5,097	32,423	1,784
Feb.	37,044	46,719	3,101	22,972	2,000
Mar.	48,191	58,099	1,804	15,338	3,687
Apr.	36,637	37,575	1,667	7,364	6,728
May	54,540	62,101	4,044	3,917	10,217
June	46,732	51,869	8,888	6,348	11,387
July	48,414	56,239	12,277	23,528	23,142
Aug.	49,560	70,738	13,054	41,228	13,900
Sept.	44,689	64,565	13,619	53,450	28,590
Oct.	52,751	84,953	12,637	55,939	31,102
Nov.	54,958	84,115	9,028	48,752	11,546
Dec.	38,569	68,419	5,709	41,037	4,086
Total	550,314	729,294	90,925	352,296	148,169
1936					
Jan.	40,590	53,538	3,315	32,302	712
Feb.	41,597	59,474	2,350	25,086	681
Mar.	52,681	72,030	1,187	16,521	4,813
Apr.	42,217	57,424	1,210	8,850	9,418
May	59,121	83,820	3,775	4,861	11,832
June	57,598	79,181	9,130	10,367	5,272
July	53,821	83,899	13,312	28,162	10,807
Aug.	50,258	92,560	13,810	41,883	18,060
Sept.	52,983	88,894	14,483	50,824	41,838
Oct.	65,158	110,999	13,759	55,743	22,957
Nov.	66,169	120,972	10,093	53,475	10,587
Dec.	52,996	98,074	6,114	44,618	1,516
Total	635,191	1,015,205	92,538	372,692	138,493

5. TRANSPORTATION

Month	Railways				Canal Traffic
	Gross Operating Revenues	Net Operating Revenues	Car Loadings	Freight Carried One Mile (Revenue Freight)	
1935	$(000)	$(000)	cars	(000)	ton
Jan.	20,968	461	181,802	1,579,778	.....
Feb.	21,601	1,895	179,888	1,686,267	.....
Mar.	23,868	2,972	186,676	1,858,381	.....
Apr.	24,492	3,901	184,605	1,797,383	649,773
May	24,537	2,666	188,351	1,720,051	2,305,027
June	24,063	1,566	185,880	1,861,169	2,245,208
July	26,186	3,388	194,983	2,041,414	2,470,282
Aug.	25,552	2,067	196,923	1,785,924	2,723,763
Sept.	29,605	6,123	220,584	2,713,920	2,502,460
Oct.	32,347	8,692	251,077	2,949,459	2,544,257
Nov.	27,265	6,347	214,093	2,262,121	2,494,030
Dec.	26,619	5,263	173,531	1,934,162	271,189
Total	307,103	45,341	2,358,393	24,190,029	18,205,989
1936					
Jan.	22,234	797	172,902	1,762,976	.....
Feb.	22,597	1,413	180,232	1,814,162	.....
Mar.	25,535	3,071	192,123	2,056,216	.....
Apr.	26,050	3,730	193,067	2,080,508	289,944
May	27,022	3,233	190,068	1,989,967	3,345,725
June	26,049	2,000	200,840	1,775,226	2,975,290
July	27,301	1,966	202,743	1,940,782	2,693,062
Aug.	28,637	2,610	222,019	2,364,493	2,828,374
Sept.	33,103	7,529	251,304	3,055,488	2,945,909
Oct.	33,840	9,140	263,478	2,990,578	3,419,138
Nov.	29,034	6,874	219,914	2,375,894	2,676,547
Dec.	30,108	7,529	205,679	2,160,608	293,307
Total	331,510	49,892	2,494,369	26,366,898	21,467,296

6. PRICES

Month	General Wholesale Prices	Producers' Goods	Consumers' Goods	Materials Raw	Manufactured Goods	Family Budget (Weekly)
1935	1913=100	1913=100	1913=100	1913=100	1913=100	$
Jan.	111.5	102.2	118.4	101.4	112.0	15.99
Feb.	112.2	102.6	119.1	101.7	113.3	16.06
Mar.	112.3	103.3	118.6	102.2	113.1	16.10
Apr.	113.2	105.6	118.4	104.0	113.1	15.97
May	112.8	105.4	117.7	103.9	111.6	15.97
June	111.5	103.6	117.3	101.9	110.3	15.95
July	111.5	102.6	117.3	101.7	110.8	15.94
Aug.	112.0	103.2	118.0	101.9	111.6	16.15
Sept.	113.2	104.7	118.3	105.5	111.7	16.16
Oct.	114.1	105.4	119.5	106.4	113.1	16.42
Nov.	113.6	103.7	119.6	105.3	112.5	16.54
Dec.	113.6	103.7	119.9	105.3	112.5	16.65
Average	112.6	103.9	118.6	103.4	112.3	16.16
1936						
Jan.	113.9	104.4	119.6	106.6	112.2	16.68
Feb.	113.2	103.7	119.2	105.8	111.4	16.58
Mar.	113.1	103.7	119.0	105.5	111.3	16.63
Apr.	112.8	103.3	118.2	104.7	111.6	16.33
May	112.3	100.6	118.1	103.7	110.6	16.36
June	112.9	104.5	118.8	104.4	110.9	16.33
July	116.1	107.6	119.8	109.2	113.1	16.51
Aug.	118.9	111.3	121.7	114.4	115.4	16.72
Sept.	119.3	111.8	121.8	115.8	115.6	16.84
Oct.	120.4	113.6	122.2	117.8	116.0	16.87
Nov.	120.6	113.7	122.5	118.8	116.3	16.96
Dec.	124.5	119.6	124.0	124.3	119.3	16.99
Average	116.5	108.1	120.4	110.9	113.6	16.65

7. LABOUR

Month	Index of Employment	Unemployment in Trade Unions	Employment Office Statistics		Strikes and Lockouts	
			Vacancies	Regular Placements	Disputes in Existence	Time Loss in Working Days
1935						
Jan.	94.4	18.1	29,467	15,717	10	22,105
Feb.	94.6	18.2	25,453	14,839	8	16,315
Mar.	96.4	16.7	24,788	14,393	13	12,844
Apr.	93.4	17.0	27,183	14,854	14	19,472
May	95.2	15.9	30,847	17,032	25	33,024
June	97.6	15.4	27,721	15,695	15	42,140
July	99.5	15.1	35,168	20,907	26	52,118
Aug.	101.1	14.2	40,164	25,946	18	29,588
Sept.	102.7	13.0	38,410	23,946	18	26,506
Oct.	106.1	13.3	35,464	22,911	16	17,983
Nov.	107.7	13.3	32,196	21,730	16	8,781
Dec.	104.6	14.6	29,713	18,375	8	3,152
1936						
Jan.	99.1	14.8	29,270	18,004	5	999
Feb.	98.4	13.8	24,983	13,787	8	20,577
Mar.	98.9	14.5	24,050	11,893	15	17,144
Apr.	97.4	15.1	26,521	14,216	17	14,424
May	99.5	14.8	29,070	15,298	14	28,712
June	102.0	13.9	28,164	16,154	15	3,310
July	104.6	12.5	29,851	18,945	13	44,987
Aug.	105.6	10.8	32,721	21,646	36	72,034
Sept.	107.1	10.9	29,325	17,520	27	33,577
Oct.	110.1	11.0	34,615	23,492	19	11,644
Nov.	111.0	12.7	33,522	23,836	17	13,344
Dec.	110.1	14.3	33,284	23,140	20	16,245

8. GENERAL BUSINESS

Month	Bankruptcies (Dun & Bradstreet)	Defaulted Liabilities	Sales of Life Insurance	Bank Clearings	Bank Debits	Physical Volume of Business
1935	No.	$(000)	$(000)	$(000,000)	$(000,000)	Index
Jan.	149	1,094	31,669	1,310	2,682	97.5
Feb.	135	982	27,265	1,038	2,089	100.6
Mar.	112	981	30,408	1,230	2,236	94.2
Apr.	111	1,069	27,691	1,252	2,367	98.7
May	121	1,439	27,042	1,634	3,132	103.3
June	108	1,419	29,956	1,561	2,710	99.2
July	124	1,602	30,551	1,380	2,545	103.0
Aug.	93	751	25,109	1,376	2,498	107.9
Sept.	94	884	25,340	1,334	2,426	101.9
Oct.	106	927	28,615	1,583	2,908	107.2
Nov.	105	1,074	31,824	1,695	3,022	110.0
Dec.	109	872	33,300	1,516	2,932	106.2
Total	1,367	13,094	348,770	16,927	31,546	
1936						
Jan.	120	1,245	33,166	1,551	2,997	106.2
Feb.	138	2,307	28,673	1,462	2,767	104.8
Mar.	118	936	30,404	1,390	2,599	104.0
Apr.	134	893	28,601	1,435	2,774	111.0
May	101	753	28,189	1,675	2,979	107.6
June	94	557	30,903	1,627	3,136	111.1
July	79	707	31,148	1,561	2,894	110.8
Aug.	78	1,030	23,260	1,456	2,619	113.5
Sept.	96	535	25,913	1,711	3,134	120.0
Oct.	85	800	29,150	1,837	3,328	121.5
Nov.	95	639	36,437	1,735	3,303	118.0
Dec.	100	912	33,883	1,762	3,405	118.4
Total	1,238	11,314	359,727	19,203	35,929	

9. CURRENCY AND BANKING

Month	Notes in Hands of Public	Gold Reserve Bank of Canada	Demand Deposits	Notice Deposits	Current Loans	New York Funds in Montreal
1935	$(000,000)	$(000,000)	$(000,000)	$(000,000)	$(000,000)	$
Jan.	148.92	....	529.92	1,412	819	.999
Feb.	153.93	....	516.24	1,428	815	1.001
Mar.	164.23	....	512.50	1,447	819	1.010
Apr.	158.13	106.9	581.86	1,452	823	1.005
May	160.39	106.9	561.21	1,446	824	1.001
June	169.07	106.7	545.41	1,426	831	1.001
July	158.43	165.3	553.01	1,428	813	1.002
Aug.	171.93	180.3	553.82	1,434	829	1.003
Sept.	174.31	181.4	590.01	1,444	839	1.008
Oct.	178.16	181.5	625.21	1,465	856	1.014
Nov.	182.65	181.4	613.27	1,474	857	1.011
Dec.	170.14	181.2	640.92	1,486	820	1.009
Average	165.86	154.6 (9 months)	568.61	1,445	829	1.005
1936						
Jan.	165.09	179.7	576.30	1,499	756	1.000
Feb.	171.62	180.4	533.78	1,517	742	.999
Mar.	169.63	180.2	568.92	1,532	733	1.001
Apr.	169.92	180.3	621.83	1,536	725	1.005
May	175.82	179.8	578.30	1,527	700	1.002
June	175.96	179.9	621.70	1,505	657	1.003
July	177.40	179.8	618.61	1,494	650	1.001
Aug.	183.52	179.4	626.32	1,503	657	1.000
Sept.	191.27	179.4	647.74	1,501	688	1.000
Oct.	197.51	179.4	664.28	1,510	708	1.000
Nov.	189.76	179.2	679.98	1,547	693	.999
Dec.	191.30	179.3	682.33	1,548	675	.999
Average	179.90	179.7	618.34	1,518	699	1.001

10. INVESTMENT AND SPECULATION

Month	Index of Industrial Stocks	Index of Dominion of Canada Bond Yields	Shares Sold on Montreal Exchange	Call Loans in Canada	Bank Holdings of Bonds and Stocks	Interest Rates N.Y. Call Loans Renewal	Interest Rates N.Y. Prime Com. Paper 4-6 months
1935	1926=100	1926=100	No.	$(000,000)	$(000,000)	P.C.	P.C.
Jan.	129.7	70.9	607,000	91.36	973	1.00	.88
Feb.	128.8	73.2	357,000	85.58	984	1.00	.75
Mar.	125.6	71.4	418,000	80.52	970	1.00	.75
Apr.	130.8	72.2	422,000	81.33	1,000	.64	.75
May	144.4	71.4	567,000	81.98	1,005	.25	.75
June	145.2	73.4	387,000	85.24	1,018	.25	.75
July	143.8	72.1	384,000	77.04	1,031	.25	.75
Aug.	146.1	71.6	515,000	77.44	1,041	.25	.75
Sept.	147.1	79.8	405,000	75.62	1,103	.25	.75
Oct.	152.9	78.9	589,000	73.76	1,116	.75	.75
Nov.	170.3	74.5	1,175,000	95.90	1,137	.75	.75
Dec.	178.2	75.5	754,000	82.98	1,155	.75	.75
Average	145.2	73.7	548,000	82.40	1,044	.59	.76
1936							
Jan.	187.7	72.4	1,111,000	77.49	1,207	.75	.75
Feb.	200.0	70.8	1,576,000	78.26	1,265	.75	.75
Mar.	194.8	69.9	870,000	76.92	1,315	.75	.75
Apr.	194.2	69.5	628,000	83.44	1,314	.75	.75
May	187.9	68.8	579,000	87.17	1,345	.93	.75
June	189.3	66.9	589,000	90.92	1,368	1.00	.75
July	190.1	65.1	831,000	90.86	1,357	1.00	.75
Aug.	191.4	63.2	559,000	90.53	1,355	1.00	.75
Sept.	200.6	63.1	1,187,000	104.97	1,380	1.00	.75
Oct.	212.3	66.2	2,176,000	108.55	1,363	1.00	.75
Nov.	219.9	65.1	2,486,000	115.67	1,316	1.00	.75
Dec.	212.8	64.1	1,899,000	113.95	1,424	1.00	.75
Average	198.4	67.1	1,208,000	93.23	1,334	.91	.75

LABOUR AND UNEMPLOYMENT RELIEF

Industrial Employment During 1935 And 1936

Industrial employment in Canada during 1935 and 1936 reflected the general and consistent improvement in business conditions. Surveys of the Dominion Bureau of Statistics based on reports from leading employers of labour show an upward trend extending over the 24 months with few interruptions which brought the index of employment (1926=100) from 94.4 on Jan. 1, 1935 to 110.1 on Dec. 1, 1936.

These gains were the direct result of an increasing public demand for commodities and services and a resultant expansion in the payroll of private industry. In both years Dominion and Provincial Governments were curtailing public works programmes undertaken for relief purposes. During 1936 the average number of men employed on relief projects per month was 17,042 as compared with 25,047 in 1935 and 48,144 in 1934.

While this pick-up in employment in private industry gave some ground for encouragement, the rise in the index of employment was not as rapid as had been hoped. Speaking in the House of Commons in March, 1936, Hon. Norman McL. Rogers, Minister of Labour, pointed out that while the employment index at Mar. 1, 1936, showed an apparent recovery from the low point of 1933 of 28.6 per cent. it showed a net decrease from Mar. 1, 1930 of 18.2 per cent. At the same time he pointed out that the index of employment did not take into consideration the natural growth in population and consequent increase in unemployment.

The annual average index numbers of employment in the sixteen years of the record are as follows:

1921	88.8	1925	93.6	1929	119.0	1933	83.4
1922	89.0	1926	99.6[1]	1930	113.4	1934	96.0
1923	95.8	1927	104.6	1931	102.5	1935	99.4
1924	93.4	1928	111.6	1932	87.5	1936	103.7

The Department of Trade and Commerce report on employment, issued Jan. 15, 1937, showed that the general improvement during the calendar year of 1936 as compared with 1935 was rather greater than the gain shown in 1935 over 1934. The business revival which started in 1933 extended, in 1936, to include lines which had been slower in responding to the general trend. The net result was a higher level of employment than in any year since 1930.

The Dominion Bureau of Statistics reports since 1921 showed an average change in the employment index of just over 8 per cent. In both 1935 and 1936 the gain in the employment index was above 11 per cent. These gains extended over all five economic areas of Canada and included every industry with the exception of construction. Here a slight improvement in railway and private building failed to offset the drop in highway construction resulting from curtailed governmental expenditure.

Manufacturing groups, employing more than half the total number of workers included in the Dominion Bureau surveys showed, in 1935, a

longer period of unbroken expansion than in any other year on record. From Jan. 1 to Nov. 1 the index of employment rose from 87.4 to 103.5. Seasonal losses that exceeded the average for November brought the figure for Dec. 1 down to 101.4, still 14 points above the first of the year.

Gains continued in 1936 though on a more moderate scale, the index advancing to 107.0 at Dec. 1. General activity however was greater than in any year since 1930 and was shared by all branches of factory employment.

The Dominion Bureau index numbers were prepared from reports on 45 different divisions and sub-divisions of factory operations. In 41 of these divisions employment was at a higher level than in 1935. In two divisions the level was unchanged while the remaining two showed a slight falling off.

As in the United States, the iron and steel industry in Canada has become the barometer of conditions in the capital goods industries. This adds significance to the fact that the average index figure for 1935 in the iron and steel plants was 82.7 or 15.7 per cent. higher than the mean for 1934. In 1936 this index rose to a five-year peak of 94.1 while the mean for the year was 89.2 or 7.9 per cent. above 1935.

Other branches of manufacturing to show pronounced gains were textiles, chemicals, glass, stone and lumber.

Employment in the mining group was at a higher level than any other year on record. The average index for the 12 months of 1936 was 217.6 as compared with 185.8 in 1935, 154.5 in 1934 and 127.2 in 1933. The greatest advance was made in the metallic ore branch, due largely to the increased activity in exploration and development of Ontario and Quebec gold mining areas.

Logging, where the employment level in 1935 had reached a new high mark with the mean index standing at 126.9, showed another advance during 1936 bringing the index to 138.7. In 1935 the greatest improvement was registered in Ontario and the Western Provinces with the Maritimes and Quebec lagging behind. In 1936 logging activity in Quebec showed a spurt while Prairie operations slowed up.

A brisk tourist season in 1936 and improvement in the general business conditions brought the volume of employment in trade to a level only exceeded in 1929.

Transportation and communications, which, in 1935 had remained on the same level as 1934 showed gains in 1936 though smaller than those recorded by other industries.

As reflected by the increased activity in lumbering and glass and stone production, building employment was higher in every month of 1935 than in the corresponding period of 1934, the mean index being 55.4 against 47.8. These gains were held in 1936 though advances from the 1935 levels were shown in only five months. Railway construction received an added impetus in 1936 from the programme of maintenance and betterment arranged between the Dominion Government and the Canadian National and Canadian Pacific Railways which, in June, absorbed all men sheltered in Dominion Government relief camps.

Highway and street construction contracts, on the other hand, the avenue by which Dominion, Provincial and Municipal Governments had been attempting to relieve the unemployment situation were drastically

curtailed. The employment index in this branch of the industry dropped from 221.3 in 1934 to 175.5 in 1935 and 135.5 in 1936. The net result was a lower level of employment for the industry as a whole for both the years under review.

In the tables which follow the Dominion Bureau of Statistics has summarized the employment data for 1936 and the changes from 1935. In reading these tables it should be noted that the increases in the number of workers represented in the monthly surveys is a result, often, of an increase in the number of firms reporting statistics to the Bureau and not the establishment of new industries. In the few cases where a decline in the level of employment is registered a minus sign has been used in front of the figure.

With the exception of the Prairie Provinces the employment situation in every economic area was better at the end of 1936 than at the end of any of the four preceding years.

Economic Areas	1936 Average of Firms	1936 Number of Employees	1936 Average Indexes (1926=100)	Change since 1935 in the Average of Firms	Change since 1935 in the Number of Employees	Change since 1935 in the Average Index Numbers Points	Change since 1935 in the Average Index Numbers P.C.
Maritime Provinces	679	78,446	109.4	30	4,534	5.7	5.5
Quebec	2,297	278,569	100.7	95	16,298	5.3	5.6
Ontario	4,301	411,397	106.7	221	16,184	3.4	3.3
Prairie Provinces	1,417	125,810	99.3	68	5,721	4.1	4.3
British Columbia	1,023	85,519	101.1	55	3,919	3.4	3.5
Canada	9,717	979,741	103.7	469	46,656	4.3	4.3

Although general recovery in the cities during 1936 was proportionately rather greater than in the country as a whole these urban gains were not so marked as in the record of 1935 advances over 1934. In the eight industrial centres tabulated below co-operating firms reported 48 per cent. of the total numbers added to the payrolls while in 1935 some 60 per cent. of the net increase had been reported from firms in these cities.

Employment Index in Eight Canadian Cities, for 1936
(Average for 1926=100)

Cities	1936 Average of Firms	1936 Number of Employees	1936 Average Indexes	Change since 1935 in the Average of Firms	Change since 1935 in the Number of Employees	Change since 1935 in the Average Index Numbers Points	Change since 1935 in the Average Index Numbers P.C.
Montreal	1,328	138,313	92.1	41	7,708	4.8	5.5
Quebec City	170	12,661	95.2	5	—58	—1.7	—1.8
Toronto	1,460	124,893	101.5	88	6,350	4.0	4.1
Ottawa	186	13,905	106.3	14	760	4.1	4.0
Hamilton	281	31,578	98.3	11	1,948	5.7	6.2
Windsor	172	16,495	121.3	7	927	6.3	5.5
Winnipeg	473	39,595	92.3	25	2,006	4.5	5.1
Vancouver	429	33,295	103.7	24	2,665	7.1	7.3
Total, 8 leading cities	4,499	410,735	97.7	215	22,366	4.6	4.9

The following table summarizes the employment data by industries for 1936 giving the average number of reporting firms and their employees and the mean index number for the 12 months Jan. 1 to Dec. 31. There was a gain of 5.1 per cent. in the number of reporting employers while that in the reported number of employees was 5 per cent. The index increased by 4.3 per cent. in 1936 as compared with 1935. Of the last two comparisons that between the index numbers affords the more reliable guide to change in employment situation as allowance is made for inclusion of new enterprises as well as the cessation of defunct businesses. (See also Section: "Statistical Survey").

Index of Employment by Industries for 1936
(Average for 1926=100)

Industrial Groups	1936 Average Number of Firms	1936 Number of Employees	1936 Average Indexes	Change since 1935 in the Average Number of Firms	Change since 1935 in the Number of Employees	Change since 1935 in the Average Index Numbers Points	Change since 1935 in the Average Index Numbers P.C.
Manufacturing	5,710	522,756	103.4	230	35,092	6.3	6.5
Animal products, edible	296	23,815	123.5	20	1,644	6.2	5.3
Fur and products	60	1,890	90.4	3	— 23	—1.4	—1.5
Leather and products	294	22,090	108.3	14	817	3.7	3.5
Lumber and products	829	40,604	76.9	23	3,182	5.6	7.9
Musical instruments	35	1,319	46.2	..	239	8.4	22.2
Plant products, edible	460	33,433	115.4	24	2,722	8.7	8.2
Pulp and paper products	600	61,471	101.1	16	3,577	5.5	5.8
Rubber products	52	12,464	97.8	..	701	5.5	6.0
Textile products	1,013	100,953	117.7	48	5,729	6.1	5.5
Plant products, n.e.s.	178	16,507	122.9	11	601	1.4	1.2
Wood distillates and extracts	8	580	139.7	..	70	16.9	13.8
Chemicals and allied products	200	11,354	138.1	10	1,103	9.2	7.1
Clay, glass and stone products	201	8,806	79.6	7	828	7.2	9.9
Electric light and power	98	14,733	116.7	..	543	4.2	3.7
Electrical apparatus	121	14,831	121.6	12	2,381	7.4	6.5
Iron and steel products	852	117,086	89.2	17	8,092	6.5	7.9
Non-ferrous metal products	167	21,172	133.1	13	2,232	13.5	11.3
Non-metallic mineral products	139	13,991	138.2	11	396	3.6	2.7
Miscellaneous	107	5,657	127.1	1	256	6.0	5.0
Logging	321	39,234	138.7	20	3,807	11.8	9.3
Mining	371	62,838	136.5	35	6,389	13.2	10.7
Coal	102	24,300	89.8	1	385	1.4	1.6
Metallic ores	188	30,991	256.0	32	4,928	37.6	17.2
Non-metallic minerals (except coal)	81	7,547	110.1	2	1,076	15.3	16.1
Communications	85	21,456	81.0	..	357	1.2	1.5
Transportation	436	100,801	84.1	34	4,754	2.9	3.6
Construction and maintenance	1,082	103,796	88.2	38	—10,887	—9.6	—9.8
Building	699	22,490	55.4	30	99	..	..
Highway	350	50,342	135.5	9	—14,524	—40.0	—22.8
Railway	33	30,955	77.6	—1	3,538	8.8	12.8
Services	464	27,028	124.5	13	1,550	6.3	5.3
Trade	1,249	101,832	127.5	98	5,586	5.4	4.4
All industries	9,717	979,741	103.7	469	46,656	4.3	4.3

Labour Legislation 1935 and 1936

The year 1935 saw enactment by the Dominion Government of Canada's first unemployment insurance scheme. The Employment and Social Insurance Act, based on the Unemployment Insurance Act of Great Britain provided for an insurance fund to be made up of contributions from the Dominion Government, the employers and the insured employees. With the exception of certain classes specified it was compulsory for all workers over the age of 16. The Act was to be administered by a Commission of three which was actually appointed in July, 1935. In October, 1935, however the legislation with three other Acts affecting labour was referred to the Supreme Court of Canada.

These three Acts designed to implement three Conventions of the International Labour Conference were the Minimum Wages Act, The Limitation of Hours of Work Act and the Weekly Rest in Industrial Undertakings Act. (See also 1935 Legislation).

After division of the Supreme Court on all four statutes an appeal was taken to the Judicial Committee of the Privy Council which gave its ruling on Jan. 28, 1937. The Labour Conference legislation the Committee held to be *ultra vires* ruling that while the Dominion Government had the right to incur international obligations which required changes in the law such changes could be made only by the legislative body empowered by the British North America Act to deal with the subjects. It held that wages, working hours and weekly rest day came within the class of subjects assigned to the Provinces.

The unemployment insurance legislation also fell under the Privy Council axe on the ground that it affected the civil rights of employers and employees in each Province and was therefore within Provincial jurisdiction. Subsequent steps were taken with only partial success to secure the necessary consent from the Provinces.

Covering all work undertaken by the Dominion directly or by contract as well as work on which Federal grants would be made the Dominion Parliament passed the Fair Wages and Hours of Labour Act (1935). This repealed the similar Statute of 1930. It provided for an eight-hour day and 44-hour week. Fair wages as defined by the Act were to be determined by the Governor-in-Council.

An Amendment to the Criminal Code provided a maximum prison term of two years or a fine of $5,000 or both for anyone who knowingly employed a person at less than the minimum wage fixed by any law in Canada or attempted evasion of any such law.

Legislation affecting wages and hours of labour was also enacted by the Provincial legislatures as follows:

Alberta—The Quarries Regulation Act provided a minimum age of employment, safety regulations for workers, maximum hours of labour and places and times of paying wages. The Industrial Standards Act empowered the Lieutenant-Governor-in-Council to declare any written agreement between employers and employed as to wages and hours binding for one year on all persons in that industry within the zone or zones specified. It provided that enforcement should be in the hands of the Bureau of Labour and penalties imposed for violation; and that joint boards to hear complaints might be set up by any parties to such agreements.

British Columbia—The Truck Act was amended to remove fuel from the list of articles which employer might supply to employee by deducting cost from wages and to forbid payment of wages in stocks or shares. The Male Minimum Wage Act authorized the Board to fix hours, wages and labour conditions of male employees under the age of 18. The Apprenticeship Act, providing for an inspector of apprenticeship to supervise a permanent system of apprentice training and for a Provincial Apprenticeship committee and local Committees to advise the Minister of Labour, applied to decorating, plastering, sheet metal working, plumbing, steamfitting, and electrical work, although other trades might be added on petition of a representative number of employers, after collective agreement in the trade or on recommendation of the Minister. (The Lieutenant-Governor-in-Council might make regulations dealing with apprenticeship standards, education, hours of work and wages). The Metalliferous Mines Regulation Act Amendment extended the eight-hour day to quarries and metallurgical works, Lieutenant-Governor-in-Council being empowered to prescribe hours of labour and to repeal or amend former provisions; forbade employment of boys under 15 in or about a mine and of boys under 18 below ground. (Formerly the minimum age below ground was 12 and no limit was fixed for work above ground). The Shops Regulation Act extended the early closing Sections to unorganized territories.

Manitoba—The Fair Wages Act Amendment restricted exemption of work done by owner or tenant to employment of three men in addition to regular maintenance staffs. The Taxicab Act provided a minimum wage of $15 a week for taxi drivers in Greater Winnipeg or a daily rate of $1.40 for four hours and 50 cents for each additional hour. Drivers' hours being limited to 12 hours a day and six days a week.

New Brunswick—The Forest Operations Commission Act was amended to extend definition of employer to any person responsible for wages of an employee; to enable the Commission to intervene in a dispute without application from employees; and gave to workers who were paid less than minimum access to civil courts.

Nova Scotia—The Lands and Forests Act was amended to fix a maximum rate of assistance for firefighters at $1 per day instead of $1.50. The Limitation of Hours of Labour Act provided for a Board of Adjustment which, subject to the approval of the Lieutenant-Governor-in-Council, might fix hours of labour in industrial undertakings which were defined to include mining, construction and manufacturing, employers being required to keep records and to give notice of hours of work and rest intervals. Provision was made for exceeding the fixed limit in cases of accident or emergency, in continuous processes and, with the sanction of the Lieutenant-Governor-in-Council, in certain exceptional cases.

Ontario—The Wages Act was amended to exempt from seizure or attachment the sum of $2.50 for each working day represented by the wages seized. (Formerly an aggregate sum not exceeding $15 was exempt). The Mothers' Allowance Act was amended to extend allowance to wife of a man permanently disabled by mental or physical disability or a wife deserted for three years, the number of children necessary for eligibility being reduced from two to one. The Industrial Standards Act, similar to Alberta legislation, was passed.

Quebec—The Women's Minimum Wage Act was amended to extend application to hotels, clubs and restaurants in cities and towns of not less than 5,000 population; and to widen powers of minimum wage commissioners to facilitate inspection and penalties for violation. The Industrial and Commercial Establishments Act Amendment lifted restriction on employment of women and young persons to hours between 6 a.m. and 9 p.m. and allowed a chief inspector to authorize two-shift system between 6 a.m. and 11 p.m.

Saskatchewan—The Coal Mining Industry Act empowered Lieutenant-Governor-in-Council to license operators of coal mines and to formulate codes and standards of hours and wages, no code to be enforced if it interfered with import or export of coal or inter-provincial business. The Public Service Vehicles Act empowered the Highway Traffic Board to regulate wages and hours of employment for drivers of public service and commercial vehicles. The Minimum Wage Act Amendment excluded from its scope hotels, restaurants, and boarding houses accommodating five persons or less and empowered the Lieutenant-Governor-in-Council to extend operations to classes of employees not specified.

Labour legislation in 1936 as far as the Dominion Parliament was concerned was confined chiefly to measures dealing with the relief of unemployment which will be discussed in a subsequent Section. With the Minimum Wages Act and the two other labour Convention Statutes regarding hours of work before the courts a few of the Provinces passed similar legislation. These and other Provincial Acts dealing with wages and hours of labour may be summarized as follows:

Alberta—The Hours of Work and Minimum Wage Acts provided eight-hour day and 48-hour week for women and nine-hour day and 54-hour week for men in any industry or business except farming and domestic service, the Board of Industrial Relations administering the Act being given power to fix minimum wages and make special provision for certain classes of labour; to fix rates of overtime pay; to investigate any industry; and to

make exceptions to the Act or reduce maximum hours for any individual employee. The Factories Act (1926) was repealed as inconsistent with The Hours of Work Act. The Industrial Standards Act Amendment repealed the Section enabling the Lieutenant-Governor-in-Council to prescribe standards for commodities for industrial use or sale.

British Columbia—The Male and Female Minimum Wage Acts Amendments empowered the Boards to regulate conditions of labour as defined in the new measures. The Male Minimum Wage Act was extended to apply to all male workers instead of adults only. The Fire Department Hours of Labour Act Amendment required firemen to have two full days off each week, the scope of the Act being extended to any place with a paid department. The Factories Act was amended to require employers of home labour to keep records of work and wages.

New Brunswick—The Fair Wage Act provided for an appointment of a fair wage officer to investigate wages, hours and conditions of labour and where necessary to call a conference between employers and workers with an impartial chairman who would report to the Minister, who might, at any time, direct the Public Utilities Commission to investigate any trade and fix wages and working hours.

Nova Scotia—The Industrial Standards Act similar, in the main, to the Alberta and Ontario measures applied only to the construction industry in Dartmouth and Halifax and exempted all Provincial and Municipal works.

Ontario—The Industrial Standards Act Amendment extended the scope to agreements restricting work to certain days and provided that any schedule might be declared in force for any stipulated period instead of for one year as previously specified, heavier penalties being provided for violation. The Government Contract Hours and Wages Act provided for "fair wages", eight-hour day and 44-hour week on all Provincial Government contract work or work toward which the Province was contributing. The Minimum Wage Act Amendment required wages to be paid in cash or cheque except where otherwise permitted by the Board.

Prince Edward Island—The Charlottetown Incorporation Act was amended to provide 35-cent an hour minimum for workmen hired by contractors.

Quebec—The Sunday Observance Act Amendment repealed the Section allowing persons observing the Sabbath on Saturday to work on Sunday.

Saskatchewan—The Minimum Wage Act was amended to provide for stricter inspection of premises and records and for an Order-in-Council in October, 1936, to extend its operation to male employees of shops and factories in cities. The One Day Of Rest In Seven Act was amended to restrict exemptions to watchmen, janitors, persons in managerial positions and those not usually employed for more than five hours a day, the Penalties for an employee violating the Act being abolished.

Wages

General recovery in wage scales extended to all groups of Canadian industry during 1935, according to the Report of the Department of Labour on Wages and Hours of Labour. This increase was continued in 1936. The upward movement, resulting in the main from increased business activity, received an added stimulus from the large crop of wage legislation produced by the Provincial Legislatures. This was particularly noticeable in Ontario and Quebec building trades where agreements were chiefly responsible for the higher increases in wages. The building trades,

as a whole, recorded only a moderate increase. This was due to the prevalence of low wage scales in certain localities and trades where employment was scarce.

Common factory labour also benefited largely from minimum wage legislation. Here the index number shown in the Department's Report jumped from 170.8 in 1934 to 174.9 in 1935 and 179.7 in 1936. The greatest increase for the manufacturing industries was shown in 1936 in automobile plants where a jump of eight per cent. was recorded. In the manufacture of shirts, flour, meat products, furniture, automobile parts, and fur goods increases averaged four to five per cent.

Logging and sawmilling, where the upward movement was well under way before 1935, showed an increase of nine per cent. in 1936, the largest of any industrial group.

Wages in the metal trades in 1935 recovered the decreases experienced during 1934. The index for the year was 169.7 as against 169.2 for 1933 and 168 for 1934. In 1936 wages in this trade made another slight recovery to 170.1. A few scattered wage increases in the printing trade brought the wage index up three points in the two years from 182.4 in 1934 to 185.5 in 1936. This level, however, was still well below the high point of 205 reached in 1931. In steam railways the general wage deduction of 15 per cent. in force since 1933 was reduced to 12 per cent. in January and 10 per cent. in May. This wage increase, resulting from an Amendment in the agreement between the railway companies and the employees, brought the index for 1935 up to 183.9 as against 173.7 in 1934. This same level prevailed for 1936. A few minor increases were recorded in wages in the electric railway group.

The depressed level of wages prevailing in Canadian coal mines after the severe reductions of 1933 had been improved slightly during 1934. In 1935 general increases of about 5 per cent. were granted in Nova Scotia and in the Drumheller and Edmonton districts of Alberta. During 1936 the wage scale was virtually unchanged.

Cost of Living

Both 1935 and 1936 recorded a world-wide upward trend in the cost of living. In the former year increases in most countries were moderate. In France, Belgium and Poland, still on the gold standard, the previous downward movement was continued for the first half of 1935 and December levels were actually below those of the previous year. With devaluation in 1936 however these countries picked up the lag. The cost of living index in France rose from 486 in January, 1936 to 540 in December. In Great Britain, the United States and Canada advances were more regular over the two years.

Behind this general upward movement was the increasing demand for primary products and the consequent advance in wholesale prices. During 1935 and the first months of 1936 wholesale price and cost of living indices moved forward at approximately the same rate. In the last half of 1936 however wholesale prices in Great Britain and European countries with the exception of Germany shot upward to new seven-year peaks. This was chiefly due to higher prices for non-ferrous metals, wool, grain and other foodstuffs.

While increases were recorded in both Canada and the United States the rise was not nearly so rapid.

During 1935 the food group which had been the most important factor in the movement since 1930 showed very little change for the first four

months. Between May and December higher prices for eggs, butter, lard and potatoes were chiefly responsible for a rise of 9 per cent. The change in 1936 was less important though there were increases in the prices of bread, flour and cheese during the later months of the year. Between March, 1933, the low point for the group and December, 1936, food prices rose 25 per cent. At this level they were still 29 per cent. below the December, 1929, figure.

Rentals in 1935 continued the rise which started in the Autumn of 1934 though the increase was slight. Another slight increase in 1936 brought the index in December 5.5 per cent. above the low point of 1934.

The clothing group remained at the same level for 1935 but showed a two-point gain in the index for 1936. From the low point in the Summer of 1933 the group showed a 9 per cent. price recovery though it was still 25 per cent. below the pre-depression level.

The following table showing changes in the cost of living up to 1936 is compiled by the Dominion Bureau of Statistics. It gives percentage changes from 1913 on the principal groups of expenditures for workingmen's families in the cities. Food is calculated on the cost of foodstuffs in the weekly family budget. Fuel and light group is based on monthly figures of the cost of coal, wood, coal oil, gas and electricity, figures in the last two being weighted according to population since the differences in rates in different cities is greater than in other items. The rental figure is based on rates for a six-roomed house with modern conveniences and weighted according to population. The clothing figures have been weighted according to the importance of each item included in the family budget.

Changes in the Cost of Living in Canada from 1913 to 1936*
(Average prices in 1913=100)

	Food	Fuel and Light	Rent	Clothing	Sundries	All Items*
Dec. 1914	108	98	97	103	100	103
Dec. 1915	111	96	94	115	110	107
Dec. 1916	138	109	95	136	122	124
Dec. 1917	167	125	102	158	134	143
Dec. 1918	186	146	111	185	151	162
Dec. 1919	201	148	122	210	164	176
Dec. 1920	202	200	142	232	173	190
Dec. 1921	150	172	150	177	173	161
Dec. 1922	142	177	155	162	174	157
Dec. 1923	146	172	158	164	171	159
Dec. 1924	144	162	158	159	169	156
Dec. 1925	157	166	158	159	166	160
Dec. 1926	152	162	156	157	166	157
Dec. 1927	152	158	156	155	166	157
Dec. 1928	154	157	157	157	166	158
Dec. 1929	161	157	158	156	166	160
Dec. 1930	138	156	160	148	165	151
Dec. 1931	107	152	158	127	163	135
Dec. 1932	96	145	141	114	161	125
Dec. 1933	100	142	129	113	157	123
Mar. 1934	109	143	129	113	156	126
June	101	141	128	113	156	122
Sept.	102	142	128	117	155	123
Dec.	103	144	129	115	154	123
Mar. 1935	104	143	129	113	155	124
June	103	139	131	113	154	123
Sept.	105	140	131	113	154	124
Dec.	111	141	132	115	154	127
Mar. 1936	111	142	132	114	154	126
June	106	140	133	114	154	125
Sept.	113	140	133	115	153	127
Dec.	114	142	135	117	154	129

* The figures for "all items" were calculated by giving the following weights to each group: Food, 35 per cent.; Fuel, 8 per cent.; Rent, 18½ per cent.; Clothing, 18½ per cent.; Sundries, 20 per cent.

Movement in Canadian wholesale prices, according to *The Labour Gazette* supplement was slight in 1935. In 1936 after a moderate decline in the early months of the year the index moved up in the last six months to reach a level 9½ per cent. above 1935. This was 25 per cent. higher than the low level reached in 1933 but still 17 per cent. below the December 1929 figure. A feature of the movement was the relatively large gains made in the prices of primary products which brought the index for raw and partly manufactured products and fully and chiefly manufactured goods to the same level for the first time since 1930. The index for consumers' goods advanced from 74.4 in December, 1935 to 76.9 in December, 1936, mainly because of advances in the price of foodstuffs. Producers' goods on the other hand showed a gain of 16 per cent. for the same period. The principal advance was in materials for building as well as for metal working, leather goods, and fur industries.

The following table gives the wholesale prices of certain commodities on primary markets and is compiled from information in the monthly bulletins on "Prices and Price Indexes," issued by the Dominion Bureau of Statistics.

Wholesale Prices of Certain Commodities, 1929-1936

Commodities	Unit	Dec. 1929	Dec. 1932	Dec. 1933	Dec. 1935	Dec. 1936
		$	$	$	$	$
Oats	bush.	0.634	0.210	0.298	0.298	0.500
Wheat	bush.	1.378	0.424	0.603	0.847	1.202
Flour	brl.	8.600	4.400	5.200	5.700	7.500
Sugar, raw	cwt.	.....	.....	.....	1.950	1.875
Sugar, granulated	cwt.	5.270	4.180	6.370	4.705	4.610
Rubber, raw	lb.	0.161	0.038	0.088	0.133	0.201
Cattle, good steers	cwt.	9.630	4.100	5.090	6.330	5.460
Hogs, bacon	cwt.	11.940	3.970	6.480	8.400	8.210
Hides, beef	lb.	0.145	0.048	0.095	0.148	0.155
Butter, creamery	lb.	0.430	0.238	0.252	0.278	0.273
Cheese	lb.	0.280	0.1801	0.160	0.150	0.170
Eggs, fresh	doz.	0.678	0.406	0.403	0.424	0.404
Cotton, raw	lb.	0.183	0.082	0.116	0.139	0.147
Cotton, yarns	lb.	0.357	0.210	0.270	0.290	0.310
Wool, raw	lb.	0.240	0.090	0.195	0 180	0.245
Pulp, groundwood	ton	29.470	19.650	21.940	19.557	20.717
Pig iron, malleable	ton	22.000	19.000	19.000	19.000	20.000
Steel bars	100 lb.	2.400	2.250	2.250	2.250	2.400
Copper	cwt.	19.750	7.021	9.068	9.407	11.550
Lead	cwt.	6.500	3.386	3.903	4.655	6.246
Spelter	cwt.	6.000	3.971	4.720	4.364	4.768
Coal, anthracite	ton.	13.470	13.328	12.454	12.340	10.710
Coal, Nova Scotia	ton	6.000	5.250	5.250	5.250	5.250
Gasoline	gal.	0.195	0.180	0.185	0.150	0.150

Hospitalization

Returns received by the Internal Trade Branch of the Department of Trade and Commerce on hospitalization in Canada show that in 1935 and 1936 the average daily maintenance cost per patient was $3.23. In 1913 the figure was $1.68. Increases during the year in New Brunswick, Quebec, Ontario, Saskatchewan and British Columbia were offset by declines in Prince Edward Island, Nova Scotia, Manitoba and Alberta. Costs ranged from $2.63 in Nova Scotia to $3.64 in Quebec. Average for the public ward charges in 1936 were $1.99 and $1.98 in 1935. They ranged between $1.50 in Prince Edward Island and $2.53 in New Brunswick. The index (1926=100) rose from 108.9 to 109.2.

Semi-private room charges varied between $2.11 in Ontario and $3.34 in British Columbia. The index for 1935 was 99.2 and for 1936, 99.3.

Private room rates ranged from $3.75 in New Brunswick to $6.03 in Quebec with advances in Quebec, Manitoba and Alberta and a drop in Saskatchewan. The average for the Dominion in both years was $5.01.

Average operating room charges were $8.04 in 1936 and $8.09 in 1935. Rates declined in Quebec, Ontario and Saskatchewan.

Fatal Accidents in Industry

A slight upward trend in the death toll of industrial accidents in Canada was noticeable during the three calendar years, 1934, 1935 and 1936. Reports published in the March issues of *The Labour Gazette* for these years showed a total for 1936 of 1,074 as against 1,009 in 1936 and 1,000 in 1934. The 1936 total was slightly lower than the actual count published in a later Supplement of *The Labour Gazette*. The increase was accounted for by the revival in industrial activity in these years as compared with 1933 when the industrial death toll was only 808.

As might be expected the toll in Ontario and Quebec was higher than in the other Provinces. In 1934 the Ontario total was 367 and Quebec, 232. In British Columbia there were 142; in Nova Scotia, 81; in Alberta, 46; in Saskatchewan, 37; in Manitoba, 34; in New Brunswick, 25; in Prince Edward Island, 6; and in the Yukon and Northwest Territories, 4.

Transportation took the largest toll of the year 1934. Fifty-three persons were crushed or run over by cars and engines, 19 were victims of collisions and derailments, 64 fatalities occurred in connection with water craft. Falls ranging from falls into pits and mine shafts to ladder and stair fatalities accounted for 166 deaths. Explosions and fire took a toll of 128. This category included the oil tanker blast at Toronto, in July when the district fire chief, two firemen and the master of the boat lost their lives. Mine fatalities numbered 112 including the death of three coal miners in a rockslide at Nacmine, Alta. There were no major disasters during the year.

In December, 1935, 16 coal miners were killed by a gas explosion at Coalhurst, Alta. In April of the same year seven miners died at Stellarton, N.S., victims of an improperly laid charge of explosive. At Frood, Ont., three more miners were killed by a fall of rock. Shipping fatalities in 1935 included the foundering of a motor vessel off Cape Breton with a loss of five lives; the collision of two ships in the St. Lawrence when three were drowned and a toll of seven drownings due to the foundering of fishing boats. Three firemen were crushed by a falling wall fighting a convent fire at St. Joliette, Que. Three employees of an explosive company were killed attempting to remove an abandoned magazine at Waverley, N.S. A railway roadmaster, a foreman and a labourer lost their lives in a snowslide at Coryell, B.C. Trains and other moving vehicles accounted for 254 deaths. Explosions, electrocutions and fires took the second heaviest toll of the year, 162. There were 148 fatal falls and falling objects killed 141 others. Fatalities by Provinces were: Ontario, 327; Quebec, 218; British Columbia, 158; Nova Scotia, 81; Alberta, 76; Manitoba, 42; Saskatchewan, 39; New Brunswick, 22; and Prince Edward Island, 9.

In 1936 the toll in Ontario had risen to 408 swelled by three shipping disasters. In October a sandsucker foundered in a storm on Lake Erie carrying 18 of her crew to the bottom. In November a motorship sank in a storm on Georgian Bay. Seven of the crew were drowned and ten survived. In the same month a tug sank on Lake Huron with her crew

of five. Two brakemen and a conductor were killed in train collision at Novar. The British Columbia total of 178 included the death of 16 men when a locomotive tender which had been derailed in a snowslide broke from the crane and crashed into a group clearing the track about a mile further down the grade. Quebec had 244 industrial fatalities. Six log drivers were drowned in Duparquet Lake in Northern Quebec when a motor driven canoe capsized. Six fishermen were drowned off Magdalen Islands in April. A pilot, a mechanic and two prospectors lost their lives in a plane crash near Lake Chibougamau. Manitoba's 55 fatalities included the drowning of four loggers at Seven Sisters Falls. Three miners were drowned at Beresford Lake when a canoe capsized in a storm. The toll in the other Provinces during the year was: Nova Scotia, 72; Alberta, 50; Saskatchewan, 39; New Brunswick, 20; Prince Edward Island, 6; and Yukon and Northwest Territories, 2.

Industrial Fatalities in Canada by Industries

Industry	1934	1935	1936
Agriculture	151	124	124
Logging	114	116	130
Fishing and trapping	47	38	55
Mining, smelting and quarrying	144	175	173
Manufacturing	103	133	107
Construction	118	103	102
Power	20	25	12
Transportation and public utilities	165	184	238
Trade	52	44	42
Finance			3
Service	86	66	87
TOTALS	1,000	1,009	1,074

The Department of Labour During 1935 and 1936

The Report of the Department of Labour for the fiscal year ending Mar. 31, 1935 covered the administration of the seven Acts directly under the jurisdiction of the Department. Under the Conciliation and Labour Act the Department mediated in more than 40 cases during the calendar year of 1935. Under the Employment Offices Co-ordination Act the Department continued in co-operation with the Provinces (excepting Prince Edward Island) the system of uniform employment services. The statutory provision of $150,000 distributed during the fiscal year to the Provinces amounted to 30.6 per cent. of the total expenditure on these services. Other Acts under the jurisdiction of the Department were: The Industrial Disputes Investigation Act, The Government Annuities Act, The Technical Education Act, The Combines Investigation Act and The Old Age Pensions Act. The Department also continued its administration of the fair wages policy of the Dominion Government and assisted in the administration of the relief legislation.

In 1935 as the result of the change in the Dominion Government the Hon. Norman McL. Rogers succeeded the Hon. W. A. Gordon as Minister of Labour. From Apr. 1, 1935, the administration of the Old Age Pensions Act was transferred to the Department of Finance. By an Amendment to the Combines Investigation Act, July 5, 1935, this administration was transferred to the Dominion Trade and Industry Commission.

Legislation emanating from the Department of Labour during 1935 included the Weekly Rest in Industrial Undertakings Act, passed on Apr. 4; the Minimum Wage Act, passed on June 28; The Limitation of Hours of Work Act on July 5; and the Employment and Social Insurance Act on

June 28. New legislation was also introduced by the Minister of Labour respecting fair wages and hours on Government contracts.

In 1936 the Minister of Labour (Mr. Rogers) introduced in Parliament the two measures covered elsewhere in detail, the National Employment Commission Act and the Unemployment Relief and Assistance Act.

The Report of the Department for the fiscal year ended Mar. 31, 1936, covered the same field as in the previous year with the exception of the two Acts transferred to the jurisdiction of other Departments. Conciliation officers handled 38 major disputes during the year. The Report on the administration of the Employment offices for the year ended Mar. 31, 1936, showed a total of 677,408 applications handled against 686,841 in the preceding year. Placements in regular employment were 225,086 men and 52,576 women as against totals of 222,719 and 49,956 in 1934-35. Placements in casual employment brought the totals for the year to 262,214 men and 89,672 women or a total for both sexes of 351,886 as against 385,396 in the previous year.

Unemployment and Relief During 1935 and 1936

The years 1935 and 1936 witnessed the evolution of a national long-term programme to solve the unemployment problem in Canada. Even in 1934 this problem had been considered one of temporary financing until business recovery should absorb the surplus labour created by the depression.

The industrial revival of 1935 made it apparent that unemployment was going to be slow to respond to this stimulus. There was equal recognition during the years under review of the fact that the solution depended not only on co-ordination of effort between Dominion and Provincial Governments but between Governments, private industries and labour organizations. Department of Labour Reports on Unemployment Relief for the fiscal years ended Mar. 31, 1935, 1936 and 1937 show that these principles, in the main, were the basis for Government operations in the years under review.

Early in 1934 a Dominion-Provincial Conference had formulated a general policy for relief administration and financing along the following lines: (1) Federal financial assistance to provincially administered direct relief; (2) Provincial and municipal public works programmes assisted by the Dominion; and (3) Special assistance to individual Provinces where warranted. Implementing this general policy the Relief Acts of 1934 and 1935 were virtually identical authorizing the Governor-in-Council to make agreements with the Provinces and to make contributions, loans or advances out of the Consolidated Revenue Fund. The Acts also provided for Dominion Relief projects under the direction of the Department of National Defence and the Department of the Interior.

In December, 1935, a second Conference was held between the Provinces and the Dominion. As a direct result the Dominion authorized an increase in Federal grants-in-aid to enable the Provinces to lighten the relief load of the municipalities. In 1934 the system of Federal contributions to municipal relief had been changed from a basis of 33⅓ per cent. of expenditures to lump sum grants to the Provinces. From April to November, 1935, these grants cost the Dominion Government $1,750,250 a month. For the four months from December, 1935, to March, 1936, they were increased to $3,066,219. The contributions for the fiscal year ended Mar. 31, 1936, totalled $26,274,875.

In 1935 and 1936 Dominion agreements with all the Provinces except Quebec and British Columbia provided for a 50 per cent. contribution to expenditures on Trans-Canada highway work exclusive of the cost of administration and acquisition of land. In Prince Edward Island, New Brunswick, Quebec, Ontario and Manitoba the Dominion Government contributed to labour costs of certain approved Provincial undertakings, mainly Provincial highways. Certain municipal relief works were included in subsequent agreements with Ontario, Manitoba and British Columbia.

In addition to its contributions to the Provinces the Dominion in 1935 set aside $18,000,000 under provisions of the Supplementary Public Works Construction Act (1935) for Dominion projects.

Relief camps for single unemployed continued to operate under the direction of the Department of National Defence. In January, 1936, a Special Committee composed of R. A. Rigg, Humphrey Mitchell and E. W. Bradwin, was appointed to investigate these camps. In their Report, submitted to the Minister of Labour, they recommended that the camps should be closed as soon as possible and that, meanwhile, a larger cash allowance be made to the men. As an immediate result the allowance of 20 cents a day was raised to $15 a month on Apr. 1. Half of this allowance was paid out, the other half being placed to the man's credit and paid to him after he left camp at the rate of $4 a week. Negotiations, meanwhile, had been entered into with the Canadian Pacific and Canadian National Railways with the object of placing relief camp men on deferred maintenance work. As a result virtually all men in the camps were absorbed in this and other work by July, 1936. Later the camps were closed.

While the Dominion Government had made provision for drought relief in the Prairie Provinces under the Relief Acts it had been treated as a separate part of the relief problem. In the fiscal year ended Mar. 31, 1935, advances to the Province of Saskatchewan for this purpose were $5,000,000. For the fiscal year ended Mar. 31, 1936, a further $4,000,000 was provided. By a later Order-in-Council the Dominion applied to these advances expenditure by the Province on direct relief after Sept. 1, 1934. The Dominion also contributed 100 per cent. of the cost of moving settlers and live stock from the dried-out areas of both Saskatchewan and Alberta.

In September, 1936, representations were made by all three Provinces as the result of which the Dominion Government assumed 100 per cent. of the cost of direct relief in the drought areas. The agreement limited the extent of the assistance for the Winter of 1936-37 to $300,000 for Manitoba; $4,500,000 for Saskatchewan; and $2,500,000 for Alberta.

Total disbursements under the Relief Act of 1935 including advances to Provinces were $45,820,530.

The Dominion-Provincial Conference at Ottawa in December, 1935, marked an important forward step. Policies were evolved on the question of Provincial and Municipal responsibility for relief as well as the entire division of responsibility for social services. The Conference also gave birth to the idea of a National Employment Commission as an advisory body to the Minister of Labour in dealing with the unemployment problem.

In preparation for the work of this Commission the Department of Labour started, the same month, a special classification of those in receipt of direct relief in Canada. The classification showed that from December, 1935, to March, 1936, the average number of direct relief recipients was

1,326,057. Of this total 69.3 per cent. were employable persons over 16 and dependents of employable family heads; 4.97 per cent. were unemployable persons over the age of 16 and dependents of unemployable family heads while 25.5 per cent. were farmers and their families. The average number of employable persons on relief during these months was 342,703 and the number of unemployables over the age of 16, 33,919.

The following figures tabled in the House of Commons by the Minister of Labour (Mr. Rogers) give the relief picture for the month of February in the four years 1933 to 1936:

Summary of Relief Statistics as Reprinted in Supplement to *The Labour Gazette*, April, 1936

	Direct Relief (Not including dried out areas)	Month of February 1933	1934	1935	1936*
1.	Heads of families	259,799	248,183	240,051	243,003
2.	Dependants on heads of families	1,046,132	859,118	849,652	786,679
3.	Individual cases	66,760	44,541	47,137	51,149
4.	Total number	1,372,691	1,151,842	1,136,840	1,080,831
	Relief in Dried Out Areas	(A)	(A)	(B)	(B)
5.	Heads of families	16,273	35,491	33,985	31,185
6.	Dependants on family heads	73,228	159,709	138,984	124,089
7.	Individual cases	82	178	5,243	1,670
8.	Total number	89,583	195,378	178,212	156,944
9.	Homeless in Federal camps and cared for by Western Provinces	53,883	40,762	34,748	31,911
10.	Cared for by farm placement	9,867	14,808	12,009	14,169
11.	On relief work on wage basis (not including dependants)	103	74,428	51,055	7,982
12.	Settlers and dependants approved to end of month	7,715	13,481	18,229	18,586
13.	Total number assisted including dependants (except for line 11) and those receiving partial relief	1,533,842	1,491,059	1,431,093	1,310,423

The Unemployment Relief and Assistance Act 1936, while following the same general lines set by the Relief Acts of previous years, contained one important addition indicating the broader viewpoint being brought to bear on the unemployment situation. The Governor-in-Council was authorized, not only to enter into agreement with the Provinces to promote public works, but with private corporations engaged in industry with a view to expanding industrial employment.

Another important addition to the Act of 1936 was the provision for the first time of Parliamentary control of relief expenditures. In place of authority to draw on the Consolidated Revenue Fund the Cabinet was given power to make expenditures "out of moneys appropriated by Parliament." In accordance with this provision, the Hon. C. A. Dunning, Minister of Finance, on Apr. 22, 1936, introduced into the House of Commons Supplementary Estimates which included $30,418,000 for works already in progress with the purpose of stimulating employment, $28,430,000 for other projects with a like purpose and $26,000,000 for grants-in-aid to the Provinces; a total of $84,848,000.

Under this Act agreements with the Provinces were carried on for the balance of the calendar year, old loans were renewed and consolidated and new loans made. In April grants-in-aid to the Provinces were reduced from their Winter basis by 15 per cent.

With the relief camps closed the Dominion faced the problem of caring for unemployed single men during the Winter of 1936-37 and for

* Preliminary figures: (A) Saskatchewan; (B) Manitoba, Saskatchewan and Alberta.

this purpose agreements were made with all Provinces except Ontario and Nova Scotia for farm placement. The arrangement provided for payment by the farmer of $5 a month while the men were to receive from the Government free transportation, clothing allowance of $3 and $5 a month with a bonus of $2.50 where employment continued through the Winter.

On Apr. 8, 1936, the Dominion Parliament passed the National Employment Commission Act providing for a Commission of not more than seven members to carry out a national registration and classification of unemployed and to make recommendations to the Minister of Labour on: (1) conditions under which the Provinces should obtain grants; (2) means of mobilizing agencies for relief; (3) programmes of Dominion, Provincial and Municipal public works; (4) co-operative measures with private industry; (5) an apprenticeship system in industry; (6) provision for employment of disabled persons, particularly ex-soldiers; and (7) a long range plan of national development designed to solve the unemployment problem.

Debating this measure in the House on Mar. 23, 1936, the Minister of Labour, the Hon. Norman McL. Rogers said: "After an experience of five years we are compelled to recognize that unemployment is a persistent condition which does not respond quickly to ordinary legislative methods. This suggests the wisdom of a national survey of the entire problem as a preliminary to the formulation of long range measures to expand employment and thereby reduce the tax burden of relief." In the same speech, reported in a Supplement to *The Labour Gazette,* April, 1936, the Minister gave the following tabulation of expenditures by the Dominion Government under the various Relief Acts since 1930. It does not include money spent under the Public Works Construction Act or other supplementary measures, nor does it include loans to Provinces.

Dominion Unemployment Relief
Disbursement Summary

Province	Paid to Provinces	Federal Works in Provinces	Total
Prince Edward Island	$764,512	$8,296	$772,809
Nova Scotia	5,271,040	1,098,246	6,369,286
New Brunswick	3,402,554	1,180,664	4,583,218
Quebec	34,247,181	3,304,914	37,552,095
Ontario	60,618,808	9,403,299	70,022,108
Manitoba	13,847,789	2,012,132	15,859,922
Saskatchewan	23,823,352	2,119,325	25,942,677
Alberta	10,085,311	3,053,334	13,138,645
British Columbia	16,304,749	6,308,928	22,613,677
TOTAL	$168,365,299	$28,489,140	$196,854,440
Not allotable to specific Provinces			2,231,267
Administration			502,050
GRAND TOTAL			$199,587,759

On May 13, 1936, the following were appointed members of the National Employment Commission: Mr. Arthur B. Purvis (Chairman), Mr. Tom Moore, Mr. A. N. McLean, Mr. A. Marois, Mrs. M. M. Sutherland, Mr. W. A. Mackintosh and Mr. E. J. Young.

Before the end of 1936 five recommendations of the Commission had been approved and action taken to implement them. These recommendations as published in the Report of the Department of Labour for the fiscal year ending Mar. 31, 1937, were: (1) registration and classification of unemployed; (2) adoption of farm placement and alternative plans to provide work for single men during the Winter in primary products

industries; (3) training schemes to increase the employability of unemployed young people; (4) a nation-wide home improvement plan; and (5) a pre-audit by the Dominion of all provincial expenditures in connection with Dominion grants-in-aid for relief purposes.

Implementing and supplementing measures taken by the Dominion Government for the relief of unemployment Provincial Legislatures passed a number of Acts which are outlined in the Department of Labour reports for the fiscal years of 1934-35 and 1935-36.

Unemployment Relief Acts were established or renewed in Ontario, Quebec, Saskatchewan, Manitoba, Alberta, Nova Scotia and British Columbia providing for agreements with the Dominion and the municipalities and for necessary expenditures and loans. Two Amendments to the Ontario Act established a system for registration of relief recipients and enabled municipalities to repair dwellings as relief work and charge the cost as a part of the annual tax bill to the owner.

Ontario passed a Land Settlement Act to implement the Dominion-Provincial plan for placing suitable families on farms while Quebec made a yearly appropriation of $10,000,000 for this purpose under its Colonization Act. Manitoba, Saskatchewan and Alberta passed measures providing for the care of transients and attempting in each case to settle the responsibility for costs on the municipality of which the transient had been a resident. Nova Scotia renewed its Labour Act forbidding the hiring of non-resident labour. Alberta amended its Income Tax Act to allow an exemption of $300 to a father supporting an unemployed son between the ages of 21 and 25 when the father's income did not exceed $3,000.

Land Settlement

Under the provisions of the Relief Acts 1934 and 1935 agreements with all Provinces except Prince Edward Island provided for continuation of the Land Settlement scheme of 1932, the Dominion making a contribution of one-third of an amount not to exceed $600 to sustain families in need placed on farms. The remaining two-thirds was paid by the Provinces and Municipalities. For families which, after the first two years, were still in need of assistance provision was made by the Acts for a further contribution from the Dominion on the same basis of one-third of an amount not in excess of $100. Under the Unemployment Relief and Assistance Act 1936 further agreements were made with Quebec, Manitoba and Alberta for the placement of additional families and a contribution by the Dominion of one-third of an amount not exceeding $1,000 for a four-year period. Provision was also made for contributions to expenditures of $80 per family needing assistance in the fourth year of settlement and $70 per family in the fifth year.

The following table published in the Department of Labour Report for the fiscal year ended Mar. 31, 1936, gives the number of settlers and the Dominion contributions at that date:

Provinces	Dominion Contribution	Number of Settler Families	Number of Individuals
Nova Scotia	$42,276	280	1,770
Quebec	173,699	797	4,945
Ontario	102,636	463	2,278
Manitoba	124,135	632	3,051
Saskatchewan	141,963	760	3,733
Alberta	111,644	476	2,292
British Columbia	9,824	43	235
	$706,180	3,451	18,304

Recapitulation of Dominion Disbursements* under Relief Legislation as at Mar. 31, 1936

Province, etc.	1933 Act	1934 Act On Expenditures to Mar. 31, 1934	1934 Act On Expenditures after Mar. 31, 1934	1935 Act	Total
Prince Edward Island	86,918	12,122	146,869	272,925	768,231
Nova Scotia	1,184,388	77,233	570,186	1,268,415	5,579,155
New Brunswick	511,479	81,459	425,307	1,056,489	3,563,600
Quebec	3,626,851	4,651,456	6,339,910	7,502,517	35,122,363
Ontario	9,870,109	4,799,661	9,282,421	13,950,186	61,682,448
Manitoba	2,181,273	190,982	2,101,283	3,044,017	14,219,434
Saskatchewan	806,758	278,499	2,070,745	3,060,550	12,306,595
Sask. Relief Commis.	1,313,565	147,610	599,171	.....	11,888,851
Alberta	1,264,021	316,276	1,456,505	1,586,314	10,252,814
British Columbia	2,576,601	871,639	2,301,088	2,275,000	16,583,331
Yukon and N.W.T.	5,257	.....	.....	10,452	49,101
Dept. Public Works	.....	.....	.....	16,811	1,750,449
Dept. National Defence ..	6,204,980	.....	7,856,174	7,396,086	21,951,703
Dept. Interior	1,114,050	.....	533,207	179,779	3,337,844
Dept. Railways & Canals..	98,377	.....	.....	.....	1,871,102
Dept. Justice	.....	.....	.....	.....	83,180
Dept. Agriculture	.....	.....	.....	.....	9,999
Dept. Trade and Commerce	43,504	.....	.....	18,900	62,404
Dept. of Finance	94,405	.....	.....	.....	94,405
Nat. Battlefields Commis...	.....	.....	.....	.....	24,809
Board Rail. Commissioners	.....	.....	.....	.....	1,000,000
C.P.R.	.....	.....	.....	.....	1,072,746
C.N.R.	.....	.....	.....	.....	882,412
Trans. of Unemployed.. ..	16,214	.....	3,887	.....	76,681
Agri. Stabiliza. Fund	42,968	.....	.....	.....	42,968
Dept. of Mines	.....	.....	.....	14,999	14,999
Miscellaneous	.....	.....	5,049	21,178	31,304
Administration	84,494	.....	88,824	145,906	515,067
TOTAL	$31,126,222	$11,426,942	$33,780,632	$41,820,530	$204,838,007

Loans to Western Provinces

Under authority of Section 2 of the Relief Act, 1935, the Dominion continued to grant financial assistance by way of loans to certain of the Provinces. The total amount loaned during the year 1935-36 including amounts previously authorized but not advanced under the Relief Act, 1934, was $43,062,699. As security the Dominion held Treasury Bills bearing interest at 4½ per cent. up to July 1, 1935 and 4 per cent. thereafter. The following statement shows, by Provinces, the amounts loaned during the year 1935-36; the net loans outstanding at Mar. 31, 1935; cash repayments and credits applied during the year and net loans outstanding Mar. 31, 1936.

Province of Manitoba—Loans during year 1935-36:		
For Provincial purposes including public works and direct relief		$3,775,500
For reloans to certain municipalities		537,000
For relief purposes in drought area, including seed grain		408,155
		$4,720,655
Net loans outstanding Mar. 31, 1935		13,108,629
		$17,829,284
Less cash repayment during 1935-36		2,324,429
Total outstanding Mar. 31, 1936		$15,504,855
Province of Saskatchewan—Loans during 1935-36:		
For Provincial purposes including public works and direct relief		$4,096,043
For seed grain and seed operations		6,000,000
For reloans to municipalities		145,000
For payment of direct and agricultural relief accounts unpaid as at Aug. 31, 1935		2,750,000
		$12,991,043
Net loans outstanding, Mar. 31, 1935		34,123,151
		$47,114,194
Less cash repayment and credits applied during 1935-36		45,565
Total outstanding Mar. 31, 1936		$47,068,629

* For individual disbursements under the Acts of 1930, 1931 and 1932, see *The Canadian Annual Review, 1934*, page 521. "Total column" includes these Acts.

Province of Alberta—Loans during 1935-36:	
For Provincial relief purposes including public works and direct relief	$5,850,000
For agricultural relief purposes	1,050,000
For reloans to municipalities	450,000
For meeting maturing obligations	5,435,000
	$12,785,000
Net loans outstanding Mar. 31, 1935	11,977,000
	$24,762,000
Less cash repayments 1935-36	13,000
Total outstanding, Mar. 31, 1936	$24,749,000

Dominion Government Relief Guarantees

The following guarantee was made by the Dominion Government under Section 2 of The Relief Act, 1934 (supplied by the Department of Finance):

WHEAT MARKETING—*P.C. 890, May 14, 1934*: supplementing the guarantees authorized in 1931, 1932, and 1933 arising out of the marketing of the 1930 crop, this Order-in-Council guaranteed repayment of such further advances and interest thereon as might be made by the chartered banks to the Canadian Co-operative Wheat Producers Limited subsequent to Mar. 31, 1934, in respect of the contracts already acquired, or contracts in substitution for, or in addition to, existing contracts for delivery of wheat and other grains, in order to secure the advantageous sale or disposition of such grains and contracts.

The following guarantees were made by the Dominion Government under Section 2 of The Relief Act 1935 (supplied by the Department of Finance):

WHEAT MARKETING—*P.C. 974, Apr. 12, 1935*: supplementing the guarantees authorized in 1931, 1932, 1933 and 1934 arising out of the marketing of the 1930 crop this Order-in-Council guaranteed repayment of such further advances and interest thereon as might be made by the chartered banks to the Canadian Co-operative Wheat Producers Limited subsequent to Mar. 31, 1935, in respect of contracts already acquired or contracts in substitution for or in addition to existing contracts for delivery of wheat and other grains in order to secure the advantageous sale or disposition of such grains and contracts.

WHEAT MARKETING—*P. C. 975, Apr. 12, 1935*: guarantee of advances and interest thereon as might be made by chartered banks to Canadian Co-operative Wheat Producers Ltd. in connection with the purchase of 5,000,000 bushels of wheat and 8,000,000 bushels of oats or contracts for the purchase and future delivery thereof, the wheat and oats so acquired to be used for agricultural and relief purposes in the Province of Saskatchewan.

Strikes and Lockouts

While the number of strikes and lockouts in Canada in the calendar year of 1936 was higher than in 1935 the actual time lost was less and the number of workers involved only slightly greater. Compilations for 1935 and 1936 printed in *The Labour Gazette* show total time loss in 1936 of 276,997 man working days, as against 284,028 in 1935 and 574,519 in 1934. The number of workers involved was 34,812 in 1936 and 33,269 in 1935.

In 1935 a strike of gold miners in British Columbia caused a time loss of 7,500 man working days before a compromise was reached on the demand for increased wages. Coal mining disputes included three in the Drumheller district of Alberta and one at Robb, Alta. where miners struck

for a 5 per cent. wage increase already granted in other parts of Canada. They were successful. A strike of coal miners at Corbin, B.C., resulted in a deadlock between employees and employer which eventually resulted in the permanent closing of two mines.

In the manufacturing industries successful strikes were carried out in Toronto, Ont., by cloakmakers, dressmakers and millinery workers, and resulted in a general wage increase. A cotton workers' strike at Three Rivers, Que., was settled when men with dependants, who had been replaced by girls, were reinstated. Newspapers in Winnipeg, Man., and Calgary, Alta., made a closed shop agreement with new unions providing for a 44-hour week in order to settle strikes in these cities.

From June until December longshoremen were on strike along the Pacific coast. The dispute started in Vancouver and spread not only to other ports but to sympathy strikes among ships crews and boom log workers. Demands were for union recognition, wage increases or both. The Vancouver Shipping Federation cancelled agreements with the old union as the result of these strikes and made agreements with new unions composed of men who had broken with the strikers. A Commission of Inquiry found the strike unjustified.

A successful strike was staged by dairy drivers in Toronto, Ont., but a similar strike in Hamilton, Ont., failed. The disputes, involving only two firms, were over conditions of proposed labour agreements.

In 1936 2,000 loggers, saw and shingle mill workers stopped work on Vancouver Island and on the British Columbia coast demanding union recognition and wage increases. While increases were granted by some employers the strike generally was unsuccessful. The discharge of two men at Cowichan Lake, B.C., started a long drawn-out stoppage at this logging camp involving 140 men.

One-fifth of the total time loss for 1936 resulted from strikes in the coal mining industry in Alberta and Nova Scotia. In the Glace Bay district 1,400 miners walked out on Aug. 7, followed later by 3,000 others. All were back at work 11 days later after a compromise agreement on the demand for wage increases. In Alberta, two strikes, one for union recognition at East Coulee, and another for union wage scale at Wayne, were successful.

Strikes in cotton mills alone in 1936 caused a loss of 64,000 man working days, more than half the total time lost in the manufacturing industry. At Three Rivers the cotton mill was closed down after workers walked out on Feb. 19 demanding union recognition, wage increases and better working conditions. The Department of Labour negotiated a settlement involving the dropping of wage demands and union recognition. A still more important factor however was the Minister of Labour's promise of a Royal Commission investigation of the textile industry. A strike of 865 cotton workers at Welland, Ont., for a wage increase of 20 per cent. was not terminated at the end of the year, 1936.

A walk-out of silk workers at Cornwall, Ont., on Aug. 11, developed into the second largest strike of the year in all industries, involving 1,750 workers. The workers demanded recognition of the Rayon Workers union which, during the strike, had become affiliated with the international group, the United Textile Workers of America. Several clashes accompanied the stoppage and Provincial police detachments were sent to Cornwall. After conciliation attempts by the Ontario Department had failed the Federal Department was asked to intervene. The final settlement

provided a five per cent. wage increase and certain improvements in factory conditions. The demand for union recognition was withdrawn.

Strikes in the dress factories of Toronto, Montreal and Winnipeg involved large numbers of workers but were all short-lived. In 19 other disputes clothing and hat workers were successful in demands for union wages. A longer strike at Walkerville from September to November was only partially successful.

Seven strikes in the furniture manufacturing industry for wage increases, union recognition and better factory conditions were ended by compromises and resulted in little time loss.

Glass workers at Hamilton, Ont., striking for union recognition and wage increases, brought sympathy strikes at Wallaceburg and Redcliffe, Alta.

Further strikes of longshoremen on the Pacific coast were unterminated at the end of the year, 1936. The trouble again started in Vancouver where the men went out in sympathy with the longshoremen's strike in the United States. The employers refused to recognize the international union. Six strikes of longshoremen in Lake ports of Ontario for higher wages involved little time loss. The same applied to a Nova Scotia strike of pulpwood loaders. Two strikes of taxi drivers in Montreal and a lockout of taxi drivers in Winnipeg were more serious.

A strike of beverage workers in Toronto in August resulted in a union agreement with most of the smaller hotels in the city.

Industrial Disputes Investigation Act

During the fiscal year ended Mar. 31, 1935, 16 applications for the appointment of boards of conciliation were received by the Registrar under the Industrial Disputes Investigation Act. Only two boards however were appointed as the result of these applications though one of these heard two cases. Disputes in the other 13 cases were settled by negotiations conducted by the Department of Labour. Included in the Report of the Department of Labour for the year were four applications carried over from the previous year on three of which boards had been appointed. Of these applications four were made as the result of railway disputes, two from the coal mining industry, five from the street railways and three from the shipping industry on the Pacific coast.

The fiscal year ended Mar. 31, 1936, was marked by the longshoremen's strike on the Pacific coast dealt with in another Section. After futile efforts at conciliation by the Department, the Minister of Labour in accordance with Section 5 of the Industrial Disputes Investigation Act, appointed Mr. Justice H. H. Davis of the Supreme Court of Canada to conduct an inquiry. Mr. Justice Davis reported in favour of the shippers and against the longshoremen's union, the Vancouver and District Water Front Workers Association. The strike was finally called off on Dec. 9, 1935, though no agreement had been reached.

Twenty-seven applications were received during the fiscal year 1935-36 while three others were carried over from the previous year. Of these seven were from the coal mining industries in Nova Scotia and Alberta. Two boards effected settlements in these fields after recommending a five per cent. wage increase. Ten coal mining companies were involved. Six applications were received from the street railway group and one board appointed. Altogether seven boards were appointed during the year and all but one strike was averted.

During the remainder of the calendar year of 1936 there were 17 further applications and seven new boards appointed. The most important of these applications came in the dispute between the Canadian National and Canadian Pacific railways and their employees who demanded restoration of the 10 per cent. wage reduction. This application, affecting the wages of approximately 100,000 workers, was received on Oct. 2, 1936, and was still pending at the end of the year.

Combines Investigation Act

Amendments to the Combines Investigation Act (1923) and the passing of the supplementary Dominion Trade and Industry Commission Act virtually rebuilt the machinery for administering the former Statute. The Amendment and the new Act received Royal Assent on July 5, 1935.

A new clause was inserted in the Combines Act defining a "merger, trust or monopoly and declaring that such an organization which has operated or is likely to operate to the detriment of the public is a combine unlawful under the Act." Another Amendment removed the Crown's right to use, in criminal proceedings, any document which had been produced in obedience to the order of the Commission in an investigation under the Act.

The administration of the Combines Act was transferred from the Department of Labour to the hands of the new Trade and Industry Commissioner, the Hon. George H. Sedgewick, former Judge of the Supreme Court of Canada. Soon after, the Dominion Trade and Industry Commission Act was referred to the Supreme Court for a ruling on its validity.

In his Report on the Combines Investigation Act for the fiscal year ended Mar. 31, 1936, the Commissioner stated that pending this ruling no important investigations had been completed during the year.

The Commissioner however reports the conclusion of judicial proceedings against the alleged combine of British anthracite importers in Quebec. The case was closed in June, 1935, when the Judicial Committee of the Privy Council refused to allow an appeal by the companies against the judgment of the Quebec court which upheld convictions under Section 498 of the Criminal Code and under the Combines Investigation Act. The companies concerned paid fines totalling $43,500.

The case was dealt with more fully in the Report of the Department of Labour for the fiscal year ended Mar. 31, 1935. A Combines Act investigation instituted in 1933 had led to judicial proceedings against eleven importers of anthracite coal in the Province of Quebec. The Canadian Import Co. Ltd. and four subsidiaries, Canadian Import Co., British Coal Corp., The F. P. Weaver Coal Co. Ltd. and F. P. Weaver Coal Co. were convicted and fined $30,000. The conviction was upheld on appeal. Charges against another subsidiary, the St. Lawrence Stevedoring Co., were dismissed.

Convictions were registered against the second group of five firms on Jan. 23, 1935, and resulted in the following fines: Scotch Anthracite Coal Co. Ltd., $5,000; Hartt and Adair Coal Co. Ltd., $5,000; Montreal Coke and Manufacturing Co. Ltd., $2,000; Mongeau and Robert Ltd., $1,000; and Elias Rogers Co. Ltd., $500. Under the Combines Act the firms were charged with forming a combine to restrict competition in the importation of coal against public interest and, under the Criminal Code, for conspiring to limit unduly facilities for the supply of coal and coke.

The charges resulted chiefly from agreements signed in 1929 and 1930 which the trial judge found fixed the price of British anthracite and excluded importation of Russian anthracite.

Approximately 50 new cases were handled under the Combines Act during the fiscal year 1934-35 two of which were still pending at the end of 1936.

Old Age Pensions

Under the terms of the Act (1931) 75 per cent. of Provincial disbursements for old age pensions was paid each quarter by the Dominion Government; the maximum amount of pension payable was $240 per annum, subject to a reduction of the amount of a pensioner's income in excess of $125 yearly—there were also other reductions in certain instances. By Order-in-Council of Mar. 1, 1935, administration of the Old Age Pensions Act was transferred on Apr. 1 to the Department of Finance.

During the fiscal year ended Mar. 31, 1936, the total expenditure in Canada for Old Age Pensions was approximately $22,352,645 ($19,999,056 for the year ended Mar. 31, 1935) in respect of which amount the Dominion Government's contribution to the Provinces aggregated $16,-764,483.87 ($14,942,459.36 for the year ended Mar. 31, 1935). At the close of the fiscal year 1935-36 a total of 108,415 persons were in receipt of old age pensions in Canada, as compared with 101,051 in 1934-35 and 86,873 in 1933-34.

Previous to the 1931 Amendment to the Act the Governor-in-Council made agreements with five Provinces, namely, Alberta, British Columbia, Manitoba, Ontario and Saskatchewan. Under the authority of Section 6 of the Act pensions were also paid in the Northwest Territories from Jan. 25, 1929. Agreements were made with the four remaining Provinces between the years 1933 and 1936. The dates on which the Old Age Pensions Act became effective in the nine Provinces and in the Northwest Territories are as follows:—Alberta, Aug. 1, 1929; British Columbia, Sept. 1, 1927; Manitoba, Sept. 1, 1928; New Brunswick, July 1, 1936; Nova Scotia, Mar. 1, 1934; Ontario, Nov. 1, 1929; Prince Edward Island, July 1, 1933; Quebec, Aug. 1, 1936; Saskatchewan, May 1, 1928; and Northwest Territories, Jan. 25, 1929. Under the Act, the Yukon Territory was defined as a "Province". The Act stipulated that an agreement should be made by the Gold Commissioner of the Yukon with the Governor-in-Council before pensions could be paid to persons residing within the Yukon Territory. However, while a proposal to enter into such an agreement was made on several occasions the Yukon Territorial Council had not favoured the adoption of an Old Age Pensions scheme.

The average monthly pensions paid in these Provinces were: Alberta, $17.34; British Columbia, $18.89; Manitoba, $18.20; Nova Scotia, $14.39; Ontario, $17.79; Saskatchewan, $16.23; Prince Edward Island, $10.44; and Northwest Territories, $18.98. (New Brunswick did not come into the picture until July 31, 1936; nor did Quebec, until Aug. 1, 1936.)

Government Annuities

During the fiscal year ended Mar. 31, 1936, the Annuities Branch of the Department of Labour contracted for 2,670 immediate annuities and 3,687 deferred annuities or a total of 6,357. This marked a substantial increase over the previous fiscal year of 1935 when 1,954 immediate annuities were sold and 1976 deferred annuities or a total of 3,930. The average

amount of immediate annuities in 1935 was $406 and in 1936, $434. The average amount of the 26,249 immediate and deferred annuities in force on Mar. 31, 1936, was $424. Under the Act payments were limited to $1,200 for single or for joint annuitants. Disbursements for the fiscal year ended Mar. 31, 1936, totalled $4,187,909 and receipts, which included $271,826 transferred from Consolidated Revenue Fund to maintain reserves, were $23,723,539. Including the credit balance carried forward, the balance at the credit of the fund at Mar. 31, 1936, was $66,441,822. The total amount of annuity purchase money received since the inception of the Annuities Branch in September, 1908, was $77,934,871.

Labour Organization in Canada

Two features stand out in the foreground of the picture of Canadian labour organization during 1936. The first was the revival of interest in trade unionism generally which marked this year and coincided with the revival of industrial activity. After showing a consistent drop since 1929 membership in trade unions in Canada jumped to a new 16-year peak.

The other event which marked the year was the split in the Canadian labour organization which occurred at the September Convention of the All-Canadian Congress of Labour. This split, starting with a dispute among the executive led to the resurrection of the Canadian Federation of Labour which had merged its identity with the Congress in 1927.

According to the statistics for the three calendar years, 1934, 1935 and 1936 the All-Canadian group of trade unions showed an increase in membership during the period of 27,434 or 22 per cent. This compared with a gain of 8 per cent. for the international craft union group. A large part of the Canadian gain was accounted for, however, by the fact that in 1935 the One Big Union dropped its last United States unit and was included in the Canadian group.

The Department's Report on Labour Organization for the calendar year of 1934 showed a continuation of the falling off in membership which had marked the previous year. As against the peak year of 1919 when trade unions in Canada reported more than 378,000 members the total for all groups at the close of 1934 was 281,774. The international craft union group with 1,750 locals comprising 79 organizations had a membership of 133,669. The group of central Canadian organizations numbering 24 and with 662 branches had a total membership of 55,486. The One Big Union had 48 branches and 23,580 members; the International Workers of the World 24,086 members in 105 branches. The National Catholic Unions with 122 syndicates had 30,346 members. Independent groups swelled the total by 10,452 members while the Workers' Unity League had 24,086 members in 105 local branches.

In 1935, the total for all groups dropped to 280,704. The explanation given by the Department's Report for the year was that the Workers' Unity League had not made a return. It was reported that before the end of the year almost the entire affiliate membership of the League had been absorbed by various organizations. The international craft union group showed an increase of only 5,701 in membership and a gain of 32 in branches. The group of Canadian central organizations reported an increase of 24,592 in membership and 32 more branches. The National Catholic Unions added 7,504 to their membership and the independent unions, 6,407.

At the close of 1936 the Department's Report on trade union organization showed a total membership of 322,473, an increase of 41,769 over

the previous year and a new high mark since 1920. The international craft union group, with 1896 branches comprising 88 organizations showed a gain of 31,199 bringing the total to 174,769. Central Canadian organizations had a membership of 83,841 in 740 branches. The National Catholic Unions with 190 syndicates reported a membership of 45,000 or 7,000 above 1935. From the 60 independent unions 54 reported a membership totalling 18,863.

Union representation was spread over virtually all industries in Canada and the Department's Report for 1936 gave the following breakdown. Membership in the trades and general labour group was shown as 22.6 per cent. of the total; railways, 22.4 per cent.; other transportation, 8.25 per cent.; public employees, personal service and amusements, 9.56 per cent.; mining and quarrying, 6.82 per cent.; building trades, 10.06 per cent.; metal trades, 8.12 per cent.; printing and paper making, 4.97 per cent.; clothing and boots and shoes, 7.22 per cent.

The Report showed a labour representation in the Dominion Parliament and the Provincial Legislatures of seven Members and 13 Members respectively.

FINANCE AND INSURANCE

Canada in the World Economic Recovery during 1935 and 1936

Canadian financial history in 1935 and 1936 unfolded against a background of accelerating expansion in other parts of the world. Production and trade broadened until, in the second half of 1936, the movement developed increased velocity. Canadian participation in this recovery was vigorous, as befitting a country of rich resources and growing industrial productivity and one relatively free from the retarding influence of governmental experimentation in untried economic theories. The Dominion Government, operating through the newly-formed Bank of Canada, aimed to foster, domestically, an almost unprecedented condition of money ease produced by monetary control in other centres. Advancing world commodity prices provided a natural stimulus to an economy still geared, mainly, to the export of primary products. A rising curve in business profits induced a buoyant stock market in Canada as in other countries, during the closing months of 1936. Coincident with this world-wide recovery occurred the final break-up of the gold bloc, headed by France. A re-alignment of world currencies on a modified international gold basis took place in September, 1936, providing a modicum of *de facto* stabilization, embodied in a tri-partite monetary agreement by Great Britain, the United States and France. This currency pact was a preliminary step to the rationalization of international trade and a reminder of the need for further and more tangible action toward that end.

As 1936 came to a close, production in many countries was crowding or even surpassing 1929 levels, but world trade was still 20 per cent. less in volume; unemployment was proving a stubborn and onerous problem in many countries while labour costs were rising precipitately; armament budgets and taxes were increasing; currency and exchange controls were common; and tariffs and quota restrictions were prohibitive to normal trade. Money rates, though threatening to stiffen somewhat, were still extremely low and governmental influence was there to keep them so.

In the van of the world recovery during 1935 and 1936, as in the earlier years of the movement, was Great Britain. The extent of the comeback in that country may be measured by *The Economist* index of business activity, which climbed from 84 in 1932 to 100 in 1935 and 106 in 1936, standing in the latter year 6½ per cent. in excess of the 1929 level. Official policy maintained the low interest rates around which the British revival had been built; and while the housing boom slackened during 1936, industrial and commercial construction pushed forward with more than compensating vigour as industry engaged in large scale re-equipment and extension of productive capacity. At the close of 1936 there was no slackening in the upward swing; interest rates, though slightly higher, were still low. The stock market finished the most active and prosperous year of the recovery period with prices close to the bull market's highest point of a few weeks earlier. The outlook, however, could not be viewed entirely without misgivings. The armament programme was emphasizing the industrial "jams" characteristic of boom conditions; costs were rising with the advance in prices; the excess of imports over

exports was growing; and the tri-partite currency pact of September, 1936, was preventing the manipulation of sterling exchange. Depressing, too, was the political scene, with clouds lowering in Europe.

The United States' recovery which started early in 1933 and made uncertain progress for a couple of years under the unnatural wing of the Roosevelt Administration's "New Deal" programme of economic reform and experimentation, entered a more positive phase in the Spring of 1935. The pronounced forward swing of business activity and the bull drive in stocks, both of which got under way at that time, dated from the U.S. Supreme Court's decision that the National Industrial Recovery Act was unconstitutional. The Court's action ended the "New Deal's" first effort at governmental control of business and released natural recuperative forces. The effect was shown by Barron's *Monthly Index of Production and Trade* (adjusted for seasonal variation and secular trend) which registered a high of 88.8 in December, 1936, from a current normal of 62.3 per cent. in May, 1935. This compared with the low point of 46.7 in March, 1933, and the June, 1929, peak of 115.1. Governmental regulation, under the Securities Exchange Commission, introduced into stock speculation many new restrictive elements but it did not prevent United States industrial stocks from soaring from a May, 1935, low of 96.71 to a November, 1936, high of 184.90, while the rails climbed from 27.31 to 59.89, and the utilities from 14.46 to 36.08 (Dow-Jones Averages). The major feature of the economic up-swing in the United States was the two-fold policy of the Roosevelt Administration: their huge expenditures and sales of securities to the Banks; and their credit-stimulation of business. The vast imports of gold after the devaluation of the dollar in January, 1934, helped to shape the course of the economic recovery. In the main, money distribution came from the proceeds of bank loans to the Administration. There was relatively little private short-term borrowing and practically no extension of private long-term credit. Consumption goods industries (with automobile sales and output leading the way) dominated the business revival to an unusual extent. Heavy industries, dependent upon long-term investment in capital goods, lagged abnormally until late in 1935 when residential and industrial building showed signs of improvement. A widening of this latter condition throughout 1936 produced an economic equilibrium, hitherto lacking, but one more superficial than fundamental, due to the foreshadowed change in the credit background. For the first time since the advent of the "New Deal", it appeared that in 1937 Federal cash receipts would balance disbursements. Private borrowing was beginning to revive, but with no certainty that it would supplant the Government's deficit-financing as an agent of credit expansion.

At this juncture, moreover, as 1936 drew to a close, the Roosevelt Administration, returned for a second term in November by an overwhelming majority, and the Federal Reserve Board took steps to neutralize, by credit control, what they considered to be the over-rapid rise in prices. A series of increases in reserve requirements of the banks and steps to "sterilize" further additions to the nation's swollen gold stocks restricted the credit base, retracing the trend of previous years. Also threatening the outlook was the labour situation. In place of industrial peace which, normally, should have been expected at this stage of recovery, mounting living costs and the rise to power of militant industrial unionism (as opposed to craft unionism represented by the American Federation of Labour), under John L. Lewis and his Committee for Industrial Organization, forecast unsettlement in the steel, automobile and related industries.

This promised to add to labour costs already near the 1929 level, with raw material prices rising rapidly and taxes claiming an increasingly larger share of the income dollar. Particularly objectionable in the latter connection was the tax imposed in 1936 on undistributed profits; this penalized corporations for plowing back surplus earnings into their businesses and forced improvident disbursements of dividends. The result was the restriction of the sound use of surplus profits for the rehabilitation of reserves and improvement or extension of productive capacity.

Counted on to overbalance these retarding influences and prevent them from producing anything more serious than a transitory period of readjustment were: (1) the low level of interest rates; (2) the augmented purchasing power of the agricultural community following the advance in prices of farm products; (3) the spread of economic rehabilitation to other large areas of the world, particularly raw material countries; and (4) the deferred need of production of durable goods. In addition, residential building, where a large shortage existed, was picking up. The railways, though still operating under fundamental financial handicaps, were beginning again to buy new equipment. Therefore, notwithstanding the Administration's hostility toward the utility industry and their attitude toward business, hopes were high that, with production and profits climbing, the important gap would be bridged to a complete recovery in which private capital would assume the burden hitherto carried by government.

In certain respects the Canadian situation resembled that of Great Britain; in others it was linked more closely to that of the United States; while in some of its more important aspects it had its own distinguishing marks. Of significance in the latter connection was the fact that Canada's recovery was impelled predominantly by the driving power of expanding exports, stimulated initially by the workings of the Empire Trade Treaties signed at Ottawa in 1932 and, later, by the reciprocal agreement with the United States, effective Jan. 1, 1936. This factor was largely responsible for the avoidance of many of the unsound elements of economic control which characterized the United States situation. The Dominion Government under both the Bennett and the King Administrations, did not attempt, by expenditure, to win prosperity back to the country; they relied mainly on a policy of easy money in business recovery. That this method did not prove so effective as in the Mother country was due probably to United States influence upon Canadian businessmen who failed to exert their normal ingenuity and initiative toward expansion of private business, as well as to the crippling effects of subnormal grain crops. Thus, the Government in Canada were obliged to render support to the economy by deficit spending, though on a less prodical scale than in the neighbouring country.

Inevitable, therefore, was the broad shift of emphasis in Canadian finance from a structure, whose principal function was to serve the needs of private business, toward one dominated to an increasing extent by governmental requirements. This trend, apparent during the years of depression and the early recovery period, continued throughout 1935 and 1936. At the close of the latter year, however, Canadian finance showed an incipient tendency to assume its normal status.

While this sketch of financial conditions in Canada reveals the failure of recovery to achieve during the 1935-36 period a state of full-fledged prosperity marked by normal investment of private capital, the record attests, nevertheless, to a material degree of economic improvement which made its natural impression upon the market for equities. The physical volume of business as measured by the Dominion Bureau of Statistics'

index number (1926=100) had started its revival from a low point of 67.0 in February, 1933, reaching a level of 92.4 in December, 1934, after receding from a May, 1934, temporary top of 99.6. Through the first part of 1935 the forward movement was restrained, first by the situation in the United States and, later, by the uncertainty created by the economic and social reform proposals of Mr. Bennett (Prime Minister of Canada) early in the Dominion General Election campaign. In the second half of 1935 the upward movement revived and carried through 1936 to a high mark of 120.0 in September. The year closed with the economic boiler still registering "full steam ahead," the index in December recording 118.4 at which point some 43 per cent. of the slump from the January, 1929, top of 139.8 had been regained.

The salient features of the two-year period of Canada's recovery may be summarized as follows: (1) the further expansion in production, the only major area not participating being the drought-ridden section of the Prairie Provinces, and in the physical volume of trade, both being stimulated principally by export demand from Great Britain and the United States; (2) the further growth of public debt financed chiefly by the banks as private capital investment failed to provide normal employment of labour; (3) the additional emphasis on low interest rates and high prices for top-grade bonds; (4) credit balances of international payments; (5) the gradual return of stability to the foreign exchange position of the Canadian dollar, toward parity with United States funds; and (6) the improvement in commodity and stock prices which gained momentum rapidly in the second half of 1936.

The direct agent of Canada's economic improvement during the years 1935 and 1936 was the expanding overseas' demand for products of the country's natural resources. In the latter year there was the special fillip provided by the Canada-United States Trade Treaty. The Dominion's total exports of merchandise to all countries swelled to $1,028 million in the calendar year 1936. This meant that 72 per cent. of the ground lost in the 1929-32 collapse had been won back. Obscured in these figures, however, was the materially lower level of prices in 1936 as compared to those in the former peak year, as a result of which the increase in the physical volume of export trade was not apparent in the record of dollar valuation. An index number, compiled by the Bank of Canada and obtained by dividing the index of export values by the Dominion Bureau of Statistics export price index, measures the physical volume of Canadian exports in 1936 at 126, actually 25 per cent. above the corresponding 1929 figure of 101 (1926=100).

Foreign Exchange; Favourable Balance of International Payments, 1935-36

With the Canadian dollar off gold and unstabilized, the Bank of Canada was under no specific obligation to maintain a fixed foreign exchange value for the currency. Under these circumstances, although a $60 million exchange fund had been created in the hands of the Dominion Government, the central bank's foreign exchange operations were confined to ironing out, so far as possible, temporary fluctuations in the Canadian dollar. The main trends in the exchange value of the Canadian currency should be determined by the credit structure of the country, the balance of international payments and the relative fluctuations between sterling and the United States dollar, the latter factor being of major importance. The tendency of the Cana-

dian dollar to strike a middle position between the two when not at parity was clearly apparent during the violent disturbances of the worst depression years. It became less prominent in 1935 and 1936, as comparative stability returned near former parities. The following table illustrates this (*Bank of Canada Statistical Summary*):

Cents per Unit Average of Working Days	Sterling in Canada	% Premium or Discount	U.S. Dollar in Canada	% Premium or Discount
1930	486.98	+ .07	100.16	+ .16
1931	470.66	— 3.29	103.79	+ 3.79
1932	398.02	—18.21	113.52	+13.52
1933	460.73	— 5.33	108.74	+ 8.74
1934	498.91	+ 2.52	99.00	— 1.00
1935	492.68	+ 1.24	100.51	+ .51
1936	497.45	+ 2.22	100.06	+ .06

Cents per Unit Average of Working Days	Canadian Dollar in New York	% Premium or Discount	Sterling in New York	% Premium or Discount
1930	99.84	— .16	486.21	— .09
1931	96.35	— 3.65	453.50	— 6.82
1932	88.09	—11.91	350.61	—27.96
1933	91.96	— 8.04	423.68	—12.94
1934	101.01	+ 1.01	503.93	+ 3.55
1935	99.49	— .51	490.18	+ .72
1936	99.91	— .09	497.09	+ 2.14

While the sterling-United States dollar relationship was still a major influence on Canadian foreign exchange in 1935 and 1936, the fundamental position of the currency was improving by reason of the increasingly large favourable balance of international payments on current account. The sharply expanding surplus of merchandise exports, record gold exports and recovering tourist trade were the main factors, as the table below shows, in lifting the favourable balance on current account to $324 million in 1936 from $181 million in 1935 and $75 million in 1934, contrasting with the unfavourable balance of $287 million in 1930. As a result of the widening favourable balance on current account, capital exports grew correspondingly to an estimated $254 million in 1936 from $154 million in 1935, $116 million in 1934 and contrasted strikingly with the 1930 capital imports of $315 million. The increase in the outward movement of capital was mainly in the form of retirement of Canadian securities held abroad. This trend was associated with the extensive refunding operations carried out in this period of low interest rates, as dealt with later in this Section.

Canadian Balance of International Payments, 1927—1936

Net Receipts or Credits: —*Net Payments or Debits*
(Revised Estimates of Dominion Bureau of Statistics)

	1928	1930	1934	1935	1936
		(MILLIONS OF DOLLARS)			
CURRENT ACCOUNT:					
Merchandise	131	—122	148	193	322
Gold	89	3	110	117	131
Invisible Items:					
Tourist Trade	168	179	82	123	156
Interest and Dividends	—221	—280	—212	—209	—234
Freight	—19	—32	—28	—14	—18
Miscellaneous Services	—10	—25	—26	—29	—34
Balance on Current Account	132	—287	75	181	324
CAPITAL ACCOUNT:					
New Issues or Retirements of Canadian Securities	7	290	—58	—154	—164
Other Securities Transactions	—188	—13	9	71	8
Other Capital Movements	99	38	—67	—70	—98
Net Capital Movement	—82	315	—116	—154	—254
Balancing Item(a)	—50	—29	41	—27	—70

(a) This Balancing Item measures unavoidable errors and omissions in Current and Capital Accounts.

Low Interest Rates and the Banking System, 1935 and 1936

The principal instrument for the extension of credit to the Canadian Governments was the chartered banking system. Purchasing power was supplied to the governing bodies by the banks which bought the securities represented by mounting Governmental debt. In the following tables, No. I shows the growth of bank investments during these years and the concurrent shrinkage in loans. Total credit increased during the recovery period—in other words, the expansion of credit to the various Governments more than counterbalanced the reduction in credit extended through loans to the public. Table No. II breaks down the chartered banks' security holdings in greater detail. It reveals the extent to which the Dominion Government's operations dominated the situation, and also notes the amount of the Government's obligations which were absorbed by the Bank of Canada.

No. I. Statistics of Chartered Banks

December 31	1936	1935	1934	1933	1929
		(MILLIONS)			
Cash in Canada	$235	$222	$228	$196	$228
Investments in Canada	1,337	1,108	913	861(a)	448
Loans in Canada	905	1,028	1,079	1,142	1,787
Deposits in Canada	2,215	2,194	2,050	1,933	2,270
Ratio Cash to Canadian Deposits	....	....	....	....	....

(a) Including foreign securities, not segregated.

No. II. Security Holdings of Chartered Banks and Bank of Canada

	1936 Dec. 31	1935 Dec. 31	1934 Dec. 31	1933 Dec. 31	1929 Dec. 31
Chartered Banks			(MILLIONS)		
Dominion and Provincial Governments	$1,115.5	$955.9	$780.7	$651.1	$297.0
Canadian Municipal	109.6	99.2	92.5	158.1	94.0
Foreign Public	46.9	46.2	53.6		
Other	111.6	53.3	39.6	51.9	57.4
	$1,383.6	$1,154.6	$966.4	$861.1	$448.4
Bank of Canada					
Dominion and Provincial Governments	160.3	114.3	....	....	....

Further to illustrate the dependence by Governments and other borrowers of new money upon the banks in the year 1936, data from the *Bank of Canada Statistical Summary, April, 1938* are herewith given. In that year (1936) net deliveries of securities (Dominion and Provincial Governments' and corporations') amounted to $182 million, exclusive of Treasury Bills which, in the case of the Dominion Government, increased $35 million net. Against this, the chartered banks' holdings of investments, including Treasury Bills, rose $229 million net. This would indicate, considering the large increase in insurance company investments, that the general public's net direct contribution to the country's new capital requirements during 1936 was *nil*.

The following tables set forth the effect upon the Dominion Government's financial picture of their greatly increased expenditures and borrowings for unemployment relief, current account deficits, the Canadian National Railways' deficits and public works:

Dominion Government Finances (1932-33 to 1935-36)

	1932-33	1933-34	1934-35	1935-36	1936-37
			(MILLIONS)		
Total Receipts and Credits	$312	$325	$362	$373	$454
Total Expenditures	532	458	478	533	532
Total Deficit or Increase of Direct Net Debt	221	133	116	160	79

Total Net Debt—Dominion and Provincial
(Compiled by A. E. Ames & Co., Ltd.)

Fiscal Years Ended Mar. 31	Total Net Debt	Increase Over Former Year
1933	$3,940,000,000	$223,000,000
1934	4,179,000,000	239,000,000
1935	4,493,000,000	315,000,000
1936	4,763,000,000	270,000,000

The effect of the downward trend of interest rates upon the cost of the Canadian Government's Debt was indicated by the average coupon rate on the outstanding Dominion direct and guaranteed Funded Debt. After declining from 4.89 per cent. in 1930 to 4.54 per cent. in 1934, the rate continued downward to 4.28 per cent. in 1935 and 4.07 per cent. in 1936 as at Mar. 31. Significant of this situation was the increase of only 11 per cent. in the total annual interest payable, despite the 33 per cent. increase in the Government's outstanding obligations from $3,088.0 million at the end of the 1930 fiscal period to $4,106.6 million as at Mar. 31, 1936. Interest payable on the latter total was actually $5.6 million lower than it had been two years earlier, notwithstanding the increase during the interval of $303.0 million in the amount outstanding. A factor of some importance in reducing the average coupon rate was the tendency toward issuance of shorter-term securities. This trend is shown further in the following tables (*Bank of Canada Statistical Summary*):

Dominion Direct and Guaranteed Funded Debt Outstanding

(Classified According to Terms in Years at Date of Issue)

(MILLIONS OF DOLLARS)

As at Mar. 31	Not More Than 5	Over 5 Not More Than 10	Over 10 Not More Than 15	Over 15	Total Amount Outstanding	Total Annual Interest Payments	Average Coupon Rate
1926	245.2	258.3	1,144.0	1,417.9	3,065.3	151.6	4.95%
1927	160.0	278.6	1,148.8	1,482.3	3,069.7	151.4	4.93%
1928	143.9	203.1	1,148.8	1,548.8	3,044.6	149.1	4.90%
1929	108.8	196.9	1,148.8	1,585.1	3,039.7	148.6	4.89%
1930	47.3	140.8	1,148.8	1,751.0	3,088.0	151.1	4.89%
1931	41.2	139.3	1,148.8	1,971.5	3,300.8	160.3	4.86%
1932	134.6	240.6	507.9	2,663.4	3,546.5	166.2	4.69%
1933	249.6	203.5	507.6	2,718.1	3,678.8	171.0	4.65%
1934	339.0	248.9	421.3	2,794.4	3,803.6	172.6	4.54%
1935	499.1	271.3	335.9	2,823.0	3,929.3	168.3	4.28%
1936	474.2	416.3	334.4	2,881.6	4,106.6	167.0	4.07%

Significant of the central institution's influence upon the credit structure are the following statistics which show the accommodation rendered during 1935 and 1936 by the Bank of Canada in meeting the rising need for notes in circulation and in keeping the chartered banks well supplied with cash so as to enable them to absorb with ease the increased emissions of governmental debt:

Bank of Canada and Chartered Banks

	Mar. 30, 1935	Dec. 30, 1936
	(000,000 OMITTED)	
Bank of Canada's Notes in Circulation	$96	$136
Bank of Canada's Investments	152	162
Chartered Banks' Deposits with B. of C.	149	187
Chartered Banks' Investments	970	1,384
Chartered Banks' Loans	1,291	1,154

The first definite step of the official easy money programme, prior to the commencement of the operations of the Bank of Canada, had been in November, 1932. The policy entered a more active phase in June, 1934, by an Amendment to the Dominion Notes Act; this permitted an increase of $52,500,000 in the fiduciary issue of Dominion

notes which, until the establishment of the Bank of Canada, constituted the principal cash reserves of the banking system. In the half-year following May, 1934, monthly increases in the amount of Dominion Notes outstanding raised the total by $47.6 million to $218.7 million. Also, there was a concurrent increase in cash held by the chartered banks of $47 million to $232 million. From then forward, the banks were kept well supplied with cash as the following table (*Bank of Canada Statistical Summary for May,* 1938) shows:

Cash Position of Banking System

Daily Average Data	Cash In Canada	Canadian Deposits	Ratio of Cash to Deposits in Canada	Total Active Note Circulation
		(000,000 OMITTED)		
	(a)	(b)		(c)
1926	$192	$1,958	9.8	$195
1929	191	2,293	8.3	205
1932	172	1,955	8.8	158
1933	189	1,941	9.8	157
1934	201	1,966	10.2	163
1935	213	2,108	10.1	169
1936	225	2,213	10.2	182

(a) Until March, 1935; gold and coin in Canada, Dominion Notes and "free" Central Gold Reserve deposits; after that date: Bank of Canada notes and deposits.
(b) Annual averages of estimated month-end Canadian deposits in 1926-35 and monthly average Canadian deposits in 1936.
(c) Chartered bank note circulation and Bank of Canada notes in public circulation.

The total money supply was raised in 1936 to within 3 per cent. of the 1929 peak, but total cash and cheque payments (while 39 per cent. above the depression low in 1932) were still 33 per cent. under the 1929 level. This condition of abundant money supply gradually expressed itself in successive reductions in deposit interest rates and also thawed some of the rigidity out of the loan structure, both with respect to bank loans and mortgages.

The turnover, or velocity, of money was estimated by the Dominion Bureau of Statistics at only 18.26 in 1936, up from the depression low of 14.95 in 1932, but well under the 1929 rate of 23.04. From the standpoint of the physical volume of business represented by these payments, it is necessary to note that the general price level in 1936 was materially under the pre-depression peak. The figures in the last column of the table following adjust the physical volume of business for changes in the general price level, and comparison of these figures with the physical volume of business index itself conveys an idea of how the price changes affected total money transfers. Consideration of this angle emphasizes the more-than-ample amount of the 1936 money supply available to handle a much larger physical volume of business than was transacted in 1929. The 1936 money supply, turned over at the 1929 rate, would have handled, at 1936 prices, a physical volume of business 19 per cent. greater than that achieved in the record pre-depression year.

Money Supply and Its Use

	Circulation *Media* In Hands of Public(a)	Total Chartered Bank Deposits(a)	Cash and Cheque Payments(a)	Velocity of Money	Physical Volume of Business Price Index	Physical Volume of Business
1929	$218	$2,279	$58,357	23.04	131.5	125.5
1930	200	2,126	46,791	19.84	108.2	109.5
1931	184	2,090	39,175	17.00	82.3	93.5
1932	177	1,944	32,152	14.95	63.1	78.7
1933	177	1,929	37,342	17.49	63.4	79.7
1934	184	1,953	41,027	18.94	76.8	94.2
1935	194	2,079	39,343	17.07	85.0	102.4
1936	208	2,214	44,846	18.26	93.9	111.0

(a) Millions.

Current public loans in Canada, the basis of the chartered banks' earnings, continued to feel the effects of deflation (especially liquidation of the wheat surplus and refunding of corporation loans *via* bond issues) until well on in 1936, reaching their low of $650 million in July of that year as compared with the October, 1929, peak of $1,473 million. A good seasonal improvement then carried the total up to $708 million in October and the year-end figure was $676 million, but the yearly average of month-end loans was still at a new "depression" low of $699 million in 1936 as against $829 million in 1935. However, a number of other factors provided sufficient offset to enable the nine banks issuing profits statements to report a total income available for dividends in 1936 of $14,930,739 as against the 1935 low point of $13,978,596 and the 1929 high mark of $24,-896,528. The margin of income over total dividends of $12,320,000 was thus increased. (In 1929 total dividends were $18,120,897).

Main factors helping earnings in 1936 were the saving in interest paid on deposits and the improved status of many commercial loans whose standing had become impaired during the depression. As the year drew to a close there were hopes that rising business activity and commodity prices would find more positive reflection in the volume of commercial loans and the level of interest rates. The following tables compare earnings and balance sheet items. The phenomenon of greatly increased holdings of investments has already been discussed at some length in the forepart of this Section.

Bank Profits

	Profits			Earned Per Share			Curr.
	1936	1935	1929	1936	1935	1929	Divid.
Montreal	$3,181,501	$3,005,213	$6,635,027	$8.84	$8.35	$19.93	$8
Nova Scotia	1,781,687	1,719,175	2,551,117	14.85	14.33	25.51	12
Toronto	1,141,810	806,392	1,235,381	19.03	13.44	20.78	10
Provincial	304,353	301,843	483,522	7.61	7.55	12.09	6
Commerce	2,650,120	2,536,411	4,101,658	8.83	8.45	15.22	8
Royal	3,304,241	3,102,749	6,335,137	9.44	8.87	18.89	8
Dominion	876,278	826,556	1,287,523	12.52	11.81	18.95	10
Can. Nationale	727,936	718,790	908,100	10.39	10.27	14.51	8
Imperial	962,813	961,467	1,359,062	13.75	13.73	19.41	10
Totals	$14,930,739	$13,978,596	$24,896,527	$10.26	$9.61	$18.61	

Bank Assets and Liabilities

	Average of Month-End Figures				
	1936	1935	1934	1933	1929
Liability Items:	(MILLIONS OF DOLLARS)				
Notes	$119	$126	$136	$130	$178
Demand deposits	618	569	514	489	696
Time deposits	1,518	1,445	1,373	1,379	1,480
Dominion and Provincial deposits	77	65	66	62	102
Canadian deposits (1)	2,245	2,104	1,966	1,941	2,293
Foreign deposits	401	348	322	308	418
Total deposits (2)	2,668	2,476	2,317	2,290	2,837
Asset Items:					
Cash in Canada (3)	225	216	203	195	212
Dominion-Provincial short-term securities	447	407	684	627	342
Dominion-Provincial long-term securities	628	454			
Other securities	256	183	183	214	157
Total securities	1,331	1,044	867	841	499
Call loans in Canada	93	82	102	102	267
Current public loans in Canada	699	829	869	907	1,343
Current other loans in Canada	121	134	145	147	112
Call loans abroad	64	72	107	92	301
Current loans abroad	150	146	138	148	248
Total assets	3,145	2,957	2,838	2,831	3,528

(1) Estimated month-end deposits payable in Canadian currency (included in other deposit items).
(2) Includes inter-bank deposits.
(3) Until March 1935: gold and coin in Canada, Dominion Notes and "free" Central Gold Reserve deposits; after that date: Bank of Canada notes and deposits.

Bank of Canada in Operation

A natural product of this era of increasing scope of governmental influence over finance—an expression in Canada of the almost world-wide effort to ameliorate economic trends by monetary means—was the coming into operation of the Bank of Canada as the implement of national credit control. Details of the manner in which this new central bank assumed its functions on Mar. 11, 1935, were described at the First Annual Meeting of shareholders on Feb. 25, 1936, by the Governor, Graham F. Towers:

"On the date of opening, we assumed responsibility for the redemption of all Dominion Notes issued and outstanding. To cover that liability, which then amounted to $185,455,439, the Dominion Government transferred to the Bank the following assets:

(a) Gold, valued at	$69,455,439
(b) Silver, valued at	986,363
(c) Dominion of Canada 3% bonds maturing 1940 of a par value of	115,013,637
Total	$185,455,439

"From November, 1932, until Mar. 11, last, the chartered banks had, by arrangement, borrowed under the Finance Act a minimum amount of approximately $35 million, and at the initiation of the transaction had purchased from the Dominion Government, Treasury Bills for approximately the same amount. The Bank of Canada Act provided that on the day on which the Bank was authorized to commence business, the chartered banks should repay all advances then outstanding under the Finance Act. Such repayment resulted in the cancellation of an equal amount of Dominion Notes and would have involved a similar reduction in the cash reserves of the chartered banks, if no offsetting action had been taken. We considered it wise to offset this reduction and did so by purchasing $35 million of Treasury Bills from the Dominion Government. The Government used the proceeds of this sale of securities to redeem Treasury Bills held by the banks with the result that their cash reserves were unchanged.

"As a result of the transactions to which I have referred, we commenced our operations with $150 million of Government securities. In July of 1935, certain major changes took place in our holdings. The Exchange Fund Act came into effect on July 5. Our first statement to be published after this date, namely, that of July 10, by comparison with the preceding statement, showed an increase of approximately $73,500,000 in our gold holdings but a decrease in security holdings of $51,492,000. The portion of the gold profit paid to the chartered banks served to augment their cash reserves, but otherwise these transactions did not materially affect their cash position.

"As at Dec. 31, holdings of Dominion Government securities maturing within two years were valued at $30,873,168. Those having a maturity longer than two years totalled $83,409,675. All securities were valued on the basis of prices not exceeding the market on Dec. 31.

"The largest item on the Asset side of our balance sheet is gold, valued at $180,509,342. When we commenced operations we acquired gold to the value of $106,584,355, of which $69,455,439 came from the Dominion Government and $37,128,916 from the chartered banks. Settlement for this gold was effected on the basis of the statutory value of $20.67 an ounce. Subsequently, the Exchange Fund Act required us to value the gold at the current market price. The resultant profit of about $73,500,000 did not accrue to the Bank of Canada. Section 30 of the Bank of Canada Act had provided that any profits on gold transferred to the Bank would

pertain to the Dominion Government, but it gave the Governor-in-Council power to allow the chartered banks to receive the profit on gold transferred by them, to the extent that such gold was deemed to have been held against liabilities elsewhere than in Canada. The Governor-in-Council determined that 40 per cent. of the banks' gold had been so held, and as a result the chartered banks received $10,475,114. The balance of the profit, namely, $63,006,382, was credited to the Exchange Fund of the Dominion Government, and future profits or losses on gold held by us will be credited or debited to that account.

"It should be noted that the valuation at which gold is entered on our balance sheet represents the amount which should be obtained in Canada if the gold were to be shipped to London or New York on the date of the statement. In other words, we apply the realizable value instead of an arbitrary one, and are not restricted to the price prevailing in any one particular market.

"On the Liability side of our balance sheet, the item of 'Capital' requires no explanation. As at the end of the calendar year our capital stock was owned by 11,021 shareholders, the average holding being 9.07 shares. Notes in circulation totalled $99,677,229; of these $40,497,965 were in the hands of the chartered banks, and $59,179,264 in the hands of the public, including savings banks and other financial institutions. When we commenced business, the amount of notes in public hands was $42,440,981, so that the total has increased $16,738,283 between that time and the end of the year. The increase is partly seasonal in character, partly due to the retirement of chartered bank notes from circulation in anticipation of the $7,275,000 decrease in the banks' issuing power on Jan. 1, 1936, and partly due, I think, to a greater than seasonal activity in business.

"When additional notes are required by the public, they are obtained by withdrawals from the public's accounts with the chartered banks. The banks pay out Bank of Canada notes to the extent that the demand is for $1 and $2 denominations, or if their own note issues are approaching the authorized limit. Thus an increase in the active circulation of Bank of Canada notes serves to reduce the chartered banks' cash reserves, if no offsetting action is taken by the central bank. Such action was taken last year and is reflected in the enlargement of our holdings of Government securities during the latter part of 1935.

"The fact that our note issue is so much smaller than the old Dominion note issue has occasioned some misunderstanding. It should be remembered that cash reserves are now being maintained in the form of deposits with the Bank of Canada, as well as notes of the Bank of Canada. The combined total of our notes and chartered banks' deposits with us is the figure which should be used when making a comparison with cash statistics antedating our opening. To give a concrete example, I may say that the amount of Dominion notes in circulation on Mar. 10, 1935, was $220 million. Gold then held by the chartered banks was valued at approximately $37 million. Legal tender in the hands of the banks and the public therefore totalled $257 million. Compare this figure with $281 million, representing our notes in circulation as at Dec. 31, 1935, plus chartered bank deposits with us on the same date. In quoting the statistics, I have used round amounts in each case.

"Deposits of the Dominion Government require no comment. Deposits of the chartered banks—$181,636,033—represent the major portion of their cash reserves against deposit liabilities in Canada. Adding to the deposit figure $40,497,965 in Bank of Canada notes, which the banks held in their tills, we find the total cash reserves at Dec. 31, 1935, were $222,133,998, equal

to approximately 10 per cent. of the chartered banks' deposit liabilities in Canada.

"The amounts shown opposite the headings in our balance sheet entitled 'Other Assets' and 'Other Liabilities' fluctuate from week to week, sometimes to quite a considerable extent. The main reason for these fluctuations arises from the fact that we include in the category 'Other Assets' cheques in course of clearance, and in 'Other Liabilities' drafts issued and outstanding."

Canadian Bank Branches

Canadian chartered banks, continuing their policy of closing unprofitable branches, reduced the number in Canada and elsewhere by 147 during 1935 and by 17 in 1936. Total branches, excluding sub-agencies and sub-branches, had shown a steady decline since the all-time peak in 1930. From 3,125 in 1934, the total fell to 2,978 in 1935 and to 2,961 in 1936. Not including sub-agencies and sub-branches, the following table indicates the number of branches of Canadian chartered banks at the end of each of the three years, 1934, 1935 and 1936.

At Year-end	1936	1935	1934
Bank of Montreal	496	510	526
Bank of Nova Scotia	303	303	310
Bank of Toronto	172	176	179
Banque Canadienne Nationale	224	222	238
Banque Provincial du Canada	135	135	136
Barclays Bank (Canada)	2	2	2
Canadian Bank of Commerce	592	576	652
Dominion Bank	131	130	133
Imperial Bank of Canada	187	194	195
Royal Bank of Canada	719	730	754
Total branches	2,961	2,978	3,125

The Canadian Bankers' Association

The Canadian Bankers' Association at the Annual Meeting held in Montreal, November, 1935, elected the following officers: President, Mr. S. H. Logan; Vice-Presidents, Messrs. H. B. Henwood, Dudley Dawson, S. G. Dobson and H. F. Patterson; Executive Council, the above-mentioned officers and Messrs. Jackson Dodds, C. A. Roy, Ernest Guimont, K.C., A. E. Phipps and H. A. Stevenson; Secretary-Treasurer, Mr. Arthur W. Rogers.

At the 1936 Meeting held in Toronto, Messrs. J. U. Boyer and C. St. Pierre replaced Messrs. C. A. Roy and Ernest Guimont on the Executive Council, the balance of the list remaining unchanged.

The Canadian Bond Market in 1935 and 1936

Throughout 1935 and 1936, as already indicated, the emphasis continued to be on low interest rates, in line with the accepted easy money policy of the control authorities toward the twin objectives of facilitating government financing and encouraging private credit expansion. The former year, however, presented a rather abrupt contrast to the steadily falling interest rates and buoyantly rising high-grade bond prices of the immediately preceding years, particularly 1934. In place of confident and active trading and robustly advancing prices, 1935 fell under the spell of a series of disturbing incidents which resulted in thin and nervous markets, with, at times, fairly severe fluctuations.

There was, for instance, the proposal of the Mayor of Vancouver (G. G. McGeer) of a 50 per cent. cut in interest on that city's funded debt, never implemented but nevertheless injurious to confidence. Still

more unsettling in many ways was the decision of the Ontario Government to cancel unilaterally, because of alleged illegality, the contracts held by Quebec power producers with the Hydro-Electric Power Commission of Ontario. Nullifying legislation, passed in April, denied the companies legal recourse. Causing an immediate sharp drop in bonds of the affected companies, and temporarily in those of the Ontario Government itself, the Act had a collateral effect on the rest of the high-grade list and kept the market in a state of fluctuating suspense until it was finally proclaimed in December. Again, victory of the Social Credit Party in Alberta, together with adverse crops, depressed Western Provincial bonds.

Still another factor in upsetting the Dominion bond market was the mis-interpretation placed upon a statement of the Dominion Prime Minister (Mr. Bennett) in a pre-Election campaign speech which dwelt on the urgent need of reducing interest charges on Government debt through conversion. The mistaken inference that forced, rather than voluntary conversion was intended by Mr. Bennett reacted upon the high-grade market; it suffered a set-back from which it did not fully recover until well on in 1936.

Returning confidence and the constant pressure of idle funds gradually lifted the high-grade list until, during the last half of 1936, a peak was reached, when such a representative long-term issue as the Dominion 3's of 1955 sold above 102 to yield less than 2.75 per cent. From that point commodity prices surged upward and business borrowing began to increase.

The outstanding events in the Provincial bond market during 1936 was the action of the Government of Alberta: They defaulted both on the Province's Apr. 1 maturity of $2,846,000 of 6 per cent. bonds and of its Nov. 1 maturity of $1,109,000 of 6 per cent. bonds; and they initiated (by Order-in-Council of May 30, 1936) the policy of paying 50 per cent. of interest due on all Government obligations (except an issue of $7,400,000 of debentures of Alberta and Great Waterways Railway). The defaults and interest cut followed unsuccessful efforts of Mr. Aberhart, Alberta's Social Credit Prime Minister, to secure Dominion financial assistance on his own terms as opposed to those required under the proposed Dominion Loan Council. The latter demanded a considerable degree of Dominion control over the finances of any Province receiving Dominion aid —a feature which proved unacceptable to the provinces and thus killed it as a means of solving the Western Provincial debt problem.

The corporation bond list during this period was featured by the restoration of values, in varying degree, to the multitude of issues which had fallen to heavy discounts as a result of the disintegration of corporation finance during the depression. Of overshadowing importance in this respect was the sharp comeback in newsprint securities (many on a reorganized basis) in which the deflation had been particularly acute. Comprising a large bulk of total corporation obligations, the paper issues provided the major trading activity and by far the most spectacular group price movement in the bond market recovery. In the main, the secondary corporation bond trend paralleled stock market action, the pace of the climb accelerating during 1936.

The volume of bond offerings expanded through 1935 and 1936. Even making proper allowance for the overlapping of three-month Dominion Treasury Bill offerings, the total of new offerings reached the highest level since the exceptionally large Dominion refunding of 1931. The significance of the rising volume of offerings was considerably modified, however, by the continuing large proportion of refunding issues. Particu-

larly was this true with respect to the financing of corporations, who became able, in increasing numbers, to take advantage of the lower level of interest rates fashioned by the trend of the top-grade market. The following summaries of bond sales below indicate that governments continued to be by far the largest borrowing bodies in the new issue market. The major part of the financing also continued to be done in Canada though the Dominion did gain somewhat greater access to the United States market.

Canadian Bond Sales 1904—1936

(The Monetary Times)

Year	Dominion $	Provincial $	Municipal $	Railways $	Corporation $	Total $
1936	793,000,000	118,735,000	34,356,087	133,000,000	202,983,224	1,282,074,311
1935	739,300,000	123,407,000	44,793,200	48,400,000	60,605,700	1,016,505,900
1934	400,000,000	139,868,000	24,690,132	32,500,000	40,902,696	637,960,828
1933	440,000,000	82,889,000	41,282,513	1,000,000	4,385,000	569,556,513
1932	226,250,000	128,217,000	95,600,632	12,500,000	10,550,000	473,117,632
1931	858,109,300	126,239,205	85,290,066	121,750,000	59,432,000	1,250,820,571
1930	140,000,000	160,004,000	109,648,063	137,238,000	220,355,000	767,245,063
1929	.....	119,960,500	98,667,809	199,200,000	243,330,600	661,158,909
1928	.....	92,992,500	27,120,558	48,396,000	285,083,000	453,592,088
1927	45,000,000	114,795,500	72,742,114	80,000,000	289,680,067	602,217,681
1926	105,000,000	76,633,267	65,020,194	34,500,000	250,919,200	532,072,661
1925	169,333,333	106,970,000	46,218,987	40,925,195	120,085,833	483,533,348
1924	175,000,000	89,640,000	88,731,612	157,375,000	69,179,180	579,925,792
1923	200,000,000	106,279,000	83,686,422	27,500,000	97,352,320	514,817,742
1922	200,000,000	114,918,000	87,088,877	13,505,100	76,885,500	492,397,477
1921	.....	160,745,400	84,776,931	96,733,000	61,335,825	403,591,156
1920	.....	125,993,000	56,371,391	96,500,000	46,050,276	324,914,667
1919	763,000,000	52,374,000	26,274,089	35,359,133	42,930,000	909,937,222
1918	689,016,000	18,605,000	43,570,361	19,600,000	4,565,000	775,356,361
1917	650,000,000	15,300,000	24,189,079	17,700,000	18,850,000	726,039,079
1916	175,000,000	33,173,000	93,977,542	22,240,000	32,240,000	356,882,542
1915	170,000,000	48,105,000	67,393,328	33,675,000	15,933,000	335,106,328
1914	48,666,666	56,100,000	79,133,996	59,719,000	29,315,405	272,935,067
1913	34,066,666	36,850,000	110,600,936	65,895,880	126,381,813	373,795,295
1912	25,000,000	25,639,700	47,159,288	45,014,925	130,124,069	272,937,982
1911	.....	11,375,000	30,295,838	85,611,265	139,530,885	266,812,988
1910	45,000,000	10,000,000	49,043,325	41,090,000	85,867,265	231,000,590
1909	62,500,000	9,187,500	31,532,960	100,803,180	61,134,612	265,158,252
1908	47,665,000	550,083	44,814,930	.....	103,326,508	196,356,521
1907	.....	9,274,000	14,430,540	.....	58,931,200	82,635,740
1906	.....	10,000,000	8,332,008	.....	35,655,000	53,987,008
1905	.....	346,087	9,013,163	.....	125,515,281	134,874,531
1904	.....	11,146,000	14,684,247	.....	9,344,000	35,174,247

Underwritings and Flotations of Canadian Bonds

(A. E. Ames & Co., Limited)

1936	Dom. & Dom. Guar.	Prov. & Prov. Guar.	Municipal	Corporation	Total
Sold in—					
Canada	$838,820,024	$119,363,000	$34,429,222	$226,538,300	$1,219,150,546
United States ...	39,000,000	.....	.....	37,000,000	76,000,000
Great Britain ...	.....	.....	.....	1,057,500	1,057,500
Totals 1936 ..	$877,820,024	$119,363,000	$34,429,222	$264,595,800	$1,296,208,046
1935					
Sold in—					
Canada	$601,700,000	$125,338,100	$44,916,590	$56,682,700	$828,637,390
United States ...	156,000,000	.....	.....	.....	156,000,000
Great Britain ...	.....	.....	.....	500,000	500,000
Totals 1935 ..	$757,700,000	$125,338,100	$44,916,590	$57,182,700	$985,137,390
1934					
Sold in—					
Canada	$324,151,597	$158,027,000	$17,723,797	$47,131,100	$547,033,494
United States ...	50,000,000	.....	.....	.....	50,000,000
Great Britain ...	48,666,500	.....	6,063,846	.....	54,730,346
Totals 1934 ..	$422,818,097	$158,027,000	$23,787,643	$47,131,100	$651,763,840

Sales and Distribution of Canadian Bonds

(Dominion Securities Corp., Ltd.)

	1936	1935	1934	1933	1932
Dominion of Canada	$282,335,600	$386,000,000	$348,666,666	$408,000,000	$226,250,000
Provincial	93,985,000	123,407,000	128,312,000	67,874,000	136,440,301
Municipal	34,340,555	44,323,986	24,196,974	42,495,246	84,420,174
Railway	133,000,000	48,400,000	32,500,000	1,000,000	12,500,000
Public Service Corp.	113,025,000	15,388,000	44,427,400	7,125,000	6,245,000
Industrial and Miscel.	112,600,224	41,393,300	6,131,596	2,725,000	1,840,000
TOTAL	$769,286,379	$658,912,286	$584,234,636	$529,219,246	$467,695,475
Percentage placed:					
In Canada	90.63%	82.40%	90.63%	74.87%	79.55%
In United States	9.22%	17.60%		11.34%	17.35%
In Great Britain	.15%	.....	9.37%	13.79%	3.10%

NOTE.—(1) Treasury Bills of less than one year are not included, nor are Treasury Bills issued to the Dominion Government by the Provinces for advances from the former.

(2) Issues of parishes or ecclesiastical institutions are listed under Industrial and Miscellaneous.

New Bond Issues of 1935-36

In 1935 the Dominion, through the Bank of Canada, developed more extensively the use of three-month Treasury bills, a financing medium introduced more or less experimentally in Canada during 1934. The total of such bills outstanding was increased from $20,000,000 at the end of 1934 to $90,000,000 at the end of 1935 and $150,000,000 at the close of 1936. The cost of this type of money declined steadily from 2.85 per cent. with the first issue on Mar. 1, 1934, to a low of 0.643 per cent. on Sept. 15, 1936. From that point the general firming of interest rates was reflected in a moderate advance, the last issue of 1936 costing 0.746 per cent. By that time a system of regular semi-monthly offerings in varying amounts had been evolved.

The first major Dominion financing in 1935 was a $60,000,000 offering in March of 8-year 2½ per cent. bonds at 99.50 to yield 2.57 per cent. and 20-year 3 per cent. bonds at 98.50 to yield 3.10 per cent. It was followed in August by a $76,000,000 offering of 2½ per cent. 10-year bonds at 97.75 with which issue the Dominion entered the New York market for the first long-term financing since 1931. In November, the first public offering to be made through the Bank of Canada was brought out in the form of $75,000,000 of 2 per cent. 4-year bonds at 99.43 to yield 2.15 per cent., and 3 per cent. 19½-year bonds at 98.75 to yield 3.08 per cent.

The Provincial Governments' new issue market was uneventful save for an incident growing out of the Ontario Government's cancellation of contracts between the Hydro-Electric Power Commission and Quebec power producers. Uncertainty in the bond market following the passing of that legislation resulted in the failure of dealers to submit tenders for a $15,000,000 Ontario issue, following which the Government offered $20,000,000 of 2 per cent. 2¾-year and 3 per cent. 5-year debentures at par through the Province of Ontario Savings Offices. This offering was taken up reportedly by large institutional and gold-mining-company subscriptions placed through dealers on a commission basis. Subsequent offerings were made on the customary basis.

The year 1936 was marked by two major Dominion domestic financing operations—after $48,000,000 in 25-year 3¼'s had been sold to yield 3.50 per cent. early in the year in New York to provide for Dominion and Canadian National Railways maturities in that market. The way was paved for the first of these by a reduction in savings bank interest from

2 per cent. to 1½ per cent. in May. In June, the Dominion made a first attack on its heavy Autumn maturities by a $207,000,000 combined conversion and new money offering. Of this amount, the full $20,000,000 of new money was subscribed in 30-year 3¼'s on a 3.30 per cent. basis, while $114,703,000 was converted into $80,000,000 of 4-year 1½'s (1.63 per cent. basis) and $34,703,000 of 30-year 3¼'s (3.30 per cent. basis). Refunding of the unconverted balance of maturing debt was effected in September when an incidental contribution to Canadian financial history was made by the introduction of the Dominion's first perpetual obligation—a 3 per cent. issue, callable on and after Sept. 15, 1966, offered at 96.50 to yield 3.11 per cent. Some $55,000,000 of these perpetual debentures became outstanding, including $27,000,000 of new money and the remainder, along with $45,000,000 of 4-year one per cent. notes (at 98.25 to yield 1.40 per cent.), for refunding of the maturing issues. Up to the end of the year, the market for the new perpetuals fluctuated within a narrow range of the issue price, though showing naturally more sensitivity to the slight firming of interest rates than other top-grade obligations with definite maturity dates. The largest Provincial operation of the year was Quebec's sale in October of $51,000,000 of 2-year to 15-year serials, bearing one to 3 per cent. coupons, and priced at 99 to 100.

Refunding Offerings

The unusually large amount of refunding which characterized bond sales in this period deserves specific comment. Detailed figures taken from the *Bank of Canada Statistical Summary for April, 1938,* permit a breakdown of the refunding offerings in 1936, illustrating how this type of financing predominated.

	New	Refunding
	(000,000 OMITTED)	
Dominion Direct and Guaranteed and other C.N.R.	$129.4	$273.3
Provincial Direct and Guaranteed	83.3	39.1
Corporations	91.6	185.1
Municipalities and Religious Institutions	25.1	22.9
	$329.4	$520.4

Further in connection with this new money total, it is to be noted that the figures given include a substantial amount for refunding of bank loans, which in a strict sense was not new money. This was true particularly of the corporation issues, which included $48,000,000 of Canadian Pacific Railway financing to replace Government-guaranteed bank debt.

A highly significant feature of the huge amount of refunding carried out in these years was not only the reduction in interest charges so effected but also the important extent to which bonds payable only in Canada were substituted for the obligations payable in United States dollars and sterling which had proved so costly during the depression years when the Canadian dollar was selling at a heavy discount in terms of these currencies. During 1936, according to the *Bank of Canada Statistical Summary for January, 1938,* there was a net increase of $372.7 million in Dominion and Provincial direct and guaranteed, other Canadian National Railways and Canadian corporation bonds, payable in Canada only, and a net decrease of $191.2 million in such bonds payable externally.

The Investment Dealers' Association of Canada

At the 19th Annual Convention of The Investment Dealers' Association of Canada held at St. Andrews-by-the-Sea, N.B., in June, 1935, Mr. J. Ernest Savard, Montreal, was elected President; Mr. W. L. Macdougall,

Halifax, Vice-President and Chairman of the Maritime District; Mr. W. T. K. Collier, Montreal, Vice-President and Chairman of the Eastern District; Mr. H. E. Cochran, Toronto, Vice-President and Chairman of the Central District; Mr. R. D. Baker, Winnipeg, Vice-President and Chairman of the Western District; and Mr. M. F. Wardhaugh, Vancouver, Vice-President and Chairman of the Pacific District.

At the 20th Annual Convention held at Jasper Park in June, 1936, Mr. Ralph D. Baker, Winnipeg, was elected President, Mr. F. J. Brennan, Saint John, Vice-President and Chairman of the Maritime District, Mr. W. T. K. Collier, Montreal, Vice-President and Chairman of the Eastern District; Mr. K. M. Pringle, Toronto, Vice-President and Chairman of the Central District; Mr. W. M. Houston, Regina, Vice-President and Chairman of the Western District; and Mr. M. F. Wardhaugh, Vancouver, Vice-President and Chairman of the Pacific District.

Record of the Stock Markets During 1935-36

What all this recovery meant in the way of corporate prosperity was mirrored by the market for industrial stocks, which by the end of 1936 had regained 49 per cent. of their 1929-32 loss. After a series of false starts from its June, 1932, low of 40.9, the Dominion Bureau of Statistics index number of 112 common stocks (1926=100) had finished 1934 at 87.9. Reflection of the New York rise was subdued until the Liberal Party's overwhelming victory in October, 1935. With business assured of a period of minimum governmental interference, there was released a wave of speculation which swept the index up without significant reaction to a high mark of 140.8 in November, 1936. This was still some distance from the 1929 pinnacle of 232.6 but almost 3½ times the 1932 low mark. As the year 1936 ended, prices were rising and speculative fever was at a high pitch.

An important feature of the rise in stock market values during 1935 and 1936 was the limited extent to which it drew upon borrowed money—another sidelight upon the extraordinary ease of money conditions prevailing. Particularly was this so during 1935 when cash investment buying was the dominant factor in the relatively quiet advance of that year. Even when speculative operations became more significant in 1936, however, borrowing continued relatively light, judged by former bull market standards. As the following table shows, a total of $1,459.1 million was added to the value of all listings on the Montreal Stock Exchange in the two years ended Dec. 31, 1936, while member-borrowings on such collateral increased only $16.0 million. Industrial and public utility stock valuations, the major collateral for these loans, rose $1,673.7 million in the two years against the above-noted loan increase of $16.0 million, as a result of which the ratio of loans to such listings actually decreased from 1.15 per cent. to 1.06 per cent.

	1934 Dec. 31	1935 Dec. 31	1936 Dec. 31	Increase
Montreal Stock Exchange:	(MILLIONS OF DOLLARS)			
Value of Listings	$4,566.0	$5,008.1	$6,025.1	$1,459.1
Member-borrowings	19.7	18.6	35.7	16.0
Ratio Loans to Value of Listings	0.43%	0.37%	0.59%	....
Value of Industrial and Utility Stock Listings	1,706.9	2,277.0	3,380.6	1,673.7
Ratio Loans to Value of Industrial and Utility Stock Listings	1.15%	0.82%	1.06%	....

The following tables indicate the various fluctuations of common stocks as registered by Dominion Bureau of Statistics Index numbers (1926=100):

Industrial Stocks

Group No. of Stocks	Total 89	Iron, Steel 15	Pulp, Paper 6	Milling 5	Oils 5	Textiles, Clothing 11	Food & Allied Prod. 18	Beverages 9	Miscellaneous 20
1929 High	317.6	388.9	113.4	273.4	423.5	113.5	197.8	204.6	515.5
1932 Low	49.3	39.8	2.8	38.5	83.6	28.0	72.1	28.5	42.0
1935 Low	123.7	113.6	10.3	54.0	173.1	60.1	123.5	97.1	164.4
1936 (Nov.) High	226.1	168.9	26.6	108.1	243.8	75.6	182.9	140.7	441.3
% of 1929-32 Loss Regained	66%	37%	22%	30%	47%	56%	88%	64%	84%
% Gain 1932-36	358%	324%	850%	181%	192%	170%	154%	394%	951%
1936 High as % of 1929 High	71%	43%	23%	40%	58%	67%	92%	69%	86%

Utility Stocks

Group No. of Stocks	Total 23	Transportation 2	Tel. & Tel. 2	Power Traction 19	Grand Total 112	Banks 8
1929 High	166.0	164.1	129.6	197.6	232.6	131.7
1932 Low	33.1	22.7	58.0	41.1	40.9	59.8
1935 Low	43.5	23.3	92.9	53.2	84.7	75.3
1936 High	62.6	35.9	117.1	81.5	140.8	89.5
% of 1929-32 Loss Regained	21%	9%	82%	26%	52%	41%
% Gain 1932-36	89%	58%	102%	98%	244%	50%
1936 High as % of 1929 High	38%	22%	90%	41%	61%	68%

Mining Stocks

Group No. of Stocks	Gold 21	Base Metals 3	Total 24
1929 High	89.7	318.0	127.9
1932 Low	48.5	42.5	46.8
1935 Low	104.7	128.6	114.9
1936 High	136.2	322.1	170.3
% of 1929-32 Loss Regained	213%	102%	152%
% Gain 1932-36	181%	658%	264%
1936 High as % of 1929 High	152%	101%	131%

Mining Stocks

Overshadowing all other groups was the advance in mining stocks—golds under the spur of the 70 per cent. increase in the world price of gold from $20.67 to approximately $35.00 per fine ounce; and non-ferrous base metals, under the driving power of spectacularly growing consumption plus, in the latter part of 1936, soaring prices. The marking-up of the price of gold, given the stamp of permanence by the United States *de facto* stabilization of January, 1934, signalized a period of unprecedented prosperity for Canadian gold mining. It lifted the Dominion Bureau of Statistics index number (1926=100) of 21 established gold stocks 181 per cent. from the 1932 low to the 1936 high—an advance which represented 213 per cent. of the ground lost in the 1929-32 depression.

A glimpse of what the increase in the price of gold meant to the established mines may be gleaned from the records of the two leaders, Lake Shore and Hollinger.

Lake Shore, first-rank high-grade producer, whose shares reached a high of $62.50 in 1936 as compared with a low of $46.25 in 1935, a low of $20.00 in 1931, and a high of $27.60 in 1929, had earned a net income of $4,505,601 in its fiscal year ended June 30, 1931, from treatment of 698,624 tons of ore grading $13.10 at $20.67 an ounce. Four years later its net income climbed to $8,237,891 and five years later (the period ended June 30, 1936) its net income was more than double at $9,675,401. The latter, out of which $8,000,000 was paid in dividends and bonuses against $3,600,000 in the 1931 period, was earned from the milling of 873,101 tons of ore

averaging $11.03 at the old price for gold. Hollinger, as a low-grade producer, benefited even more spectacularly from the enhancement in value of its ore reserves resulting from the price advance. Its shares rose from a 1931 low of $4.60 to a 1936 peak of $17.25, which compared with a 1929 high of $10.00. Net income, meanwhile, climbed from $3,508,204 in 1931 to $5,049,502 in 1935 and $5,798,743 in 1936. The 1936 income was derived, moreover, from 1,755,768 tons averaging $4.89 a ton (at $20.67) as against the average of $6.15 for the 1,640,705 tons milled in 1931. Still more striking was the fact that if Hollinger's 1936 output had been sold at the old price of $20.67 instead of at the actual level of $35.03, there would have been a small loss for the year as the premium over the old price amounted to more than $6,000,000.

Benefits accruing to the older gold producers were only part of the story. There were tremendous speculative potentialities imparted to marginal properties by the rise in the market price of the precious metal, making "pay ore" out of what was previously merely so much rock. The inevitable result was a flood of unbridled speculation which embraced literally hundreds of prospects, carrying up bad with good in succeeding waves as volume of turnover, on and off the Exchanges, swelled to hitherto unknown proportions. Promotion was feverish and the public appetite for new issues, only a fraction of which could attain the success which eager buyers visualized for each, was temporarily insatiable. A forewarning of the inescapable sequel to all such booms came in the Spring of 1936 but the speculative mania was not yet quenched and the market forged on to higher peaks in the Autumn, ending the year not far from the collective top.

Equally remarkable in many respects was the tremendous expansion of the Canadian non-ferrous base metal industry, which whirled the D. B. S. index number of 3 base metal stocks up 658 per cent. from the 1932 bear market trough, restoring 102 per cent. of the territory conceded in the drastic 1929-32 collapse. Such a market performance naturally had a brilliant earnings background. Outstanding was the record of International Nickel Company of Canada. Surpassing all previous high marks, this Company's net income soared to $36,865,526 in 1936 from $26,086,527 in 1935, contrasting with a loss of $135,345 in 1932 and far exceeding the 1929 net income of $22,235,997. This was the basis for a bull movement in the stock which carried it from lows of $4 in 1932 and $22.25 in 1935 to a top level of $66.25 in 1936, not far from the 1929 record of $73. Almost as spectacular was the comeback of Consolidated Mining and Smelting whose 1936 net income of $8,953,159 contrasted with the Company's 1932 net loss of $2,908,107 as volume of production was far in excess of any previous total; hence the recovery in the stock to a 1936 high mark of $81 for the new shares (after the 5-for-1 split) from the 1935 low of $40.10 and the 1932 bottom of $5 which followed the long decline from the equivalent of $115 in 1929. Noranda Mines, which had not struck its full stride in the previous wave of prosperity, eclipsed all former marks with a 1936 net income of $9,268,036 as against $5,901,613 in 1935, $3,600,809 in 1932 and $4,287,173 in 1929. Stability of Noranda's operations and financial results through the depression was attributable to the greatly increased value of its large gold reserves as well as the fact that it had not reached maturity in the preceding years. Despite this stability, however, the market price of the shares fell from their 1928 high of $74 to a 1932 low of $12.60, from which level they rebounded in 1936 to a new all-time peak of $74.87 (as compared with a 1935 low of $31).

Newsprints

Next to the mines, the most notable phase of stock market convalescence in this period took place in the pulp and paper group, dominated by the newsprint shares. From a 1932 low to a 1936 high, the D. B. S. index (1926=100) of 6 representative pulp and paper issues catapulted 850 per cent. So severe, however, had been the preceding deflation, which forced several bankruptcies and painful capital reorganizations, that even this rapid recovery retraced only 22 per cent. of the market value erased in the 1929-32 *débacle*. In this respect the stock market was restrained by the pressure upon newsprint prices exerted by the excess capacity built up during the over-expansion in the years leading up to 1930. During 1936, however, when the Canadian newsprint output of 3,192,000 tons contrasted with 2,753,000 tons in 1935, 1,915,000 tons in 1932, and 2,729,000 tons in 1929, the gap between demand and excess capacity began to close with a rush which suggested early transition from a buyer's to a seller's market in the commodity. It was the anticipation of this development which produced the outstanding group movement of 1936 on the Canadian industrial stock markets, not only from the standpoint of rapidity of appreciation but also in respect of volume and velocity of turnover.

The improvement in earning power which the market was discounting, however, was prospective rather than actual. Profits, as already indicated, were still depressed by the failure of prices to improve; in fact, elimination of the heavy premium on United States funds actually tended to lower the net price received by the Canadian mills for their product from United States customers. Thus, while Abitibi Power and Paper's 1936 income of $2,185,189 showed some improvement over the corresponding figure of $1,105,823 (including premium on exchange of $808,350) for the period from Jan. 1, to Sept. 10, 1932, normal depreciation and interest charges would have resulted in a loss of almost $2,000,000 as compared with the 1929 net income of $4,111,804. It is not surprising, therefore, that while the common stock improved from its 1933 low of 13 cents and its 1935 low of 50 cents to a 1936 high of $7, it was still far from the 1928 record high of $84¼. The same applied to Price Bros. common which advanced from lows of 40 cents in 1933 and $1.50 in 1935 to a high of $26.50 in 1936; but it was still a long distance from its 1929 peak of $121. The latter Company's total income of $1,590,711 in the year ended Mar. 31, 1937, was an improvement over the corresponding loss of $869,725 for the 13 months ended Mar. 31, 1933, but it was a long pull from the income of $4,079,574 recorded for the year ended Feb. 28, 1928. Moreover, after depreciation and interest the 1937 figures showed a net loss of $293,913.

Utilities

Power and traction stocks as a whole were definitely disappointing. With the exception of the transportation issues referred to below, the D. B. S. index of 19 power and traction issues registered a poorer performance than any other of the Bureau's sub-indices. It recovered only 26 per cent. of its 1929-32 reaction in its 98 per cent. rally from 1932 to 1936. Political agitation and pressure for reduced rates, resulting in a general extension of governmental supervision of the industry and many actual rate reductions, proved a heavy burden for these stocks to surmount.

The effect of this trend was clearly shown in the net income of Montreal Light, Heat and Power Consolidated, which declined from $9,766,921 in 1931 to $7,985,218 in 1934 and $7,842,322 in 1935 and recovered only slightly to $7,869,500 in 1936, although electricity output increased from

1.24 million kw.h. in 1933 to 1.53 million kw.h. in 1936. The common stock, which had risen from $20⅛ in 1932 to $42¼ in 1933, did not get as high again during the remainder of the recovery period up to the end of 1936. The 1936 high of $36, in fact, was below the 1935 best level of $36¾, though well above the 1935 low of $26¾. The pre-depression high had been equivalent to $90 for the present stock.

Shawinigan Water and Power, more dependent on industrial customers and the newsprint industry in particular, suffered more severely during the depression and responded more quickly to business recovery but was still further behind in relation to 1929. Its 1936 net income was $2,745,858 against $2,541,966 in 1935, $1,843,044 in 1933, and $5,770,670 in 1930. The common stock rallied from a 1935 low of $14⅞ to a 1936 high of $29¾ which compared with the 1932 low of $7¼ and the 1929 high of 111.

An exception to the general experience of public utility companies was that of Bell Telephone of Canada. Its 1936 net income of $5,456,600 compared with $4,475,223 in 1935 and $4,329,442 in 1933, and was not far from the 1931 record of $5,791,982. Corresponding stability was shown by the common stock which recovered from $118 in 1935 to $160½ in 1936 where it was within striking distance of the 1929 high of $183 and was more than double the 1932 low of $76.

Brazilian Traction Light and Power, long a favourite issue of the Canadian markets, had a disappointing record during the recovery period because the Company, while it continued to experience unusual physical growth, suffered not only from the rate difficulties common to all utilities in the post-depression era but also faced added handicaps growing out of Brazil's acute foreign exchange problems. The common stock rallied from $7⅛ in 1935 to $18¾ in 1936 but this was still below the 1933 high of $19 and only a small fraction of the 1929 top of $82. The Company's net income of $6,220,284 in 1936 compared with $5,186,634 in 1935, $3,405,351 in 1933 and $16,830,633 in 1929.

Transportation

This period found the transportation industry conspicuously laggard in recovery. The index of these shares regained only 9 per cent. of the 1929-32 loss in the 58 per cent. improvement from 1932 to 1936. Principally by reason of the long succession of poor grain crops, transportation earnings were discouragingly slow to pick up. Canadian Pacific Railway's net railway operating revenue in 1936 of $23,311,111 was only slightly better than the 1935's $22,397,524 and the 1932's $20,089,985, while it was substantially less than one-half of the 1928 record of $51,694,452. The Railway's total net income in 1936 equalled only 4 cents a share on the common stock against a loss of 20 cents in 1935 and net of $3.74 in 1928. Canadian Pacific common at its high of $15⅞ in 1936 compared with a 1935 low of $8⅞, a 1932 low of $7¼, and a 1929 high of $67 15/32 in terms of the new stock as split, 4-for-1, in 1930.

Even more depressing was the record of Canada Steamship Lines Limited which, in 1936, suffered a net loss of $1,659,960 as compared with one of $1,677,013 in 1935 and one of $2,095,276 in 1932, while standing in contrast to a 1928 net income of $1,347,633. Canada Steamships common in 1936 recovered to a high of $4¾ from its lows of $1 in 1935 and 50 cents in 1933, as contrasted with its 1929 high of $51½.

Other Industrials

A section of the iron and steel group which was held back by adverse circumstances was the farm implement sub-division. Massey-Harris com-

mon, which had rebounded from its 1931 low of $1⅜ to a level of $12 in the 1933 inflationary boomlet, sold as low as $3½ again in 1935. Heavy losses on inventories and receivables kept the Company in the red through this period as sales and collections were retarded by the low level of purchasing power of the farmers. The amount of annual losses was steadily reduced to $58,413 in 1936 from $1,420,694 in 1935 and $4,043,414 in 1931 but still made a poor comparison with the 1929 net income of $2,672,822. The uplift in prices of farm products in the latter part of 1936, with the Company on the verge of profitable operations again, helped the stock to improve to a 1936 high of $8⅞. It was still, however, only a fraction of the 1929 peak level of $99½.

The textile industry had its own peculiar difficulties which were reflected in market action of textile shares during this period. The D. B. S. index of 11 textile and clothing issues scored a net gain of 170 per cent. from a 1932 low to a 1936 high, regaining 56 per cent. of its 1929-32 loss. After recovering from a 1932 low of $39 to a 1935 high of $82½, Dominion Textile common, leader of the cotton textile group, reacted later in that year to a low of $60 and it did not get above $79 in 1936. Depressing influences were the trend toward reduced tariffs and unsettled conditions in the raw cotton market. Net income, which had jumped from $622,199 in the year ended Mar. 31, 1933, to $1,822,437 in 1934, declined again to $1,298,122 in 1935 and to $1,108,211 in 1936.

Oil stocks were also sub-average in the sense that while the D. B. S. index of five oil shares improved 192 per cent. between 1932 and 1936, it regained only 47 per cent. of the 1929-32 loss. Imperial Oil, dominant member of the group, rose from a 1935 low of $15⅝ to a high of $22½ in that year and extended the high moderately to $24½ in 1936. This compared with the 1932 low of $7⅜ and the 1929 peak of $41¼. After rising from $14,101,561 in 1933 to $25,771,653 in 1934, Imperial's net income held steady at $25,229,851 in 1935 and $25,628,285 in 1936. The bulk of increased income came from larger dividends by the subsidiary, International Petroleum Company, which increased its distributions to a level in excess of current earnings.

An outstanding record of stability in the depression and progress through the recovery period was given by Imperial Tobacco of Canada and its common stock. The latter reached an all-time high to that date in 1936 of $14¾, as compared with a low of $12 in 1935, $6¼ in 1932 and a 1929 top of $11½. The Company's net income improved from $5,471,175 in 1932 to $5,843,945 in 1935, and $6,058,305 in 1936, which compared with $6,512,164 in 1930, as cigarette consumption passed all previous records.

Banks

Bank stocks, which showed greater stability than the average industrial or utility stock during the depression, came back less spectacularly in the recovery period. There was an interval of considerable unsettlement prior to the General Election of 1935, but after that event, bank shares quickly returned to their former status and responded henceforth to general market conditions. At its high point for the year toward the close of 1936, the D. B. S. index of 8 bank stocks had recovered to within 68 per cent. of its 1929 peak, as compared with 71 per cent. for the industrial index and 61 per cent. for the industrial and utility index combined.

Through the recovery period bank stocks were aided by the appreciation of their bond investment portfolio and also by the effect of easy money

upon the rate at which the market capitalized their dividend rates. It was not until 1936, however, that bank profits turned up.

The Toronto Stock Exchange

The total transactions of 450,783,324 shares valued at $699,261,852 on the Toronto Stock Exchange in 1936 showed an increase of 277,555,119 shares over the total of 173,228,205 shares sold in 1935 valued at $344,332,144. Of the 1936 total, 438,091,718 were mining shares valued at $401,139,847; and 12,691,606, industrial shares valued at $298,122,005. The 1935 total included 164,883,307 mining shares valued at $157,979,280; and 8,344,898 industrial shares valued at $186,352,864. The total monthly transactions for the two years are given in the following table:

Month	Mining Shares		Industrial Shares		Total Shares	
	1935	1936	1935	1936	1935	1936
December ...	19,529,890	36,564,053	925,501	1,225,277	20,455,391	37,789,330
November ...	15,695,402	37,707,558	1,589,070	1,862,871	17,284,472	39,570,429
October	9,178,705	25,765,194	807,313	1,619,439	9,986,018	27,384,633
September ...	11,963,895	34,317,817	578,170	1,011,832	12,542,065	35,315,399
August	10,217,522	34,953,916	605,843	607,479	10,823,365	35,560,395
July	7,140,901	33,547,358	536,879	626,251	7,677,780	34,173,609
June	8,240,427	43,730,898	396,902	530,023	8,637,329	44,260,921
May	18,104,750	53,670,417	760,787	586,502	18,865,537	54,256,919
April	20,976,875	22,990,951	439,805	784,128	21,416,680	23,775,079
March	20,303,412	29,254,233	457,120	868,392	20,760,532	30,122,625
February	10,749,275	48,768,487	422,610	1,538,491	11,171,885	50,306,978
January	12,782,256	36,821,836	814,898	1,430,921	13,597,154	38,252,757
Total	164,883,307	438,091,718	8,344,898	12,691,606	173,228,205	450,783,324

The four most active industrial stocks during 1935 on the Toronto Stock Exchange were as follows: International Nickel, 1,074,158 shares, up $22, closing at $45⅝; Distillers Seagrams, 660,604 shares, up $18¼, closing at $35; Imperial Oil, 563,920 shares, up $3⅝, closing at $20½; and International Petroleum, 509,863 shares, up $4⅛, closing at $35. In 1936, International Nickel came first in the industrial group with total sales of 1,209,942 shares, up $17⅞, closing at $63½; Brazilian Traction came second, with 1,098,782 shares, down $¾, closing at $9¾; British American Oil was third, with 761,625 shares, up $6, closing at $22½; and Pantepec Oil came fourth, with 743,790 shares, up $6¾, closing at $10. The mining group was led in 1935 by McWatters Gold Mines, with a total of 4,952,553 shares, up $1.17, closing at $1.63; Paymaster Consolidated, second, with 4,386,293 shares, up $0.32, closing at $0.51; Eldorado Gold Mines, third, with 3,076,583 shares, down $0.12, closing at $1.20; and God's Lake Gold Mines, fourth, with 2,963,381 shares, down $0.81, closing at $1.30. The four most active mining stocks during 1936 were as follows: Lake Maron, 15,929,627 shares, up $0.03⅜, closing at $0.06½; Paymaster Consolidated, 9,460,472 shares, up $0.61, closing, $1.12; Hard Rock, 8,369,031 shares, up $2.76, closing, $3.06; and O'Brien, 4,632,240 shares, up $13, closing, $13½.

Montreal Stock Exchange; Montreal Curb Market

The 1935 total of 4,361,960 shares sold on the Montreal Stock Exchange was doubled in 1936, that year having transactions totalling 8,701,405 shares. International Nickel with total sales of 619,477 was the most active stock in 1935, up $21⅞, at a closing price of $45½. Montreal Power came second with total sales of 335,318, up $1⅛, at a closing price of $32. Brazilian Traction came third with 287,267 shares, off $¼, at a closing price of $10½. Canadian Industrial Alcohol "A" was next, with sales of 268,924, up $4, at a closing price of $11. In 1936 Brazilian Traction held first place in activity with total sales of 794,454, up $7⅞, at a closing price of $18. International Nickel held second place with sales totalling 709,272, up

$18¼, at a closing price of $63¾. Montreal Power in this year held third place, with total sales of 393,655, up $3, at a closing price of $34⅝. Canadian Car held fourth place, with 341,833 shares, up $13½, at a closing price of $20½. The following table gives a monthly record of transactions on the Montreal Stock Exchange for the years 1935 and 1936 as compared to the years 1930-34:

	1936 Shares	1935 Shares	1934 Shares	1933 Shares	1932 Shares	1931 Shares	1930 Shares
January	857,056	396,788	722,150	201,133	127,084	377,241	988,789
February	973,102	220,935	681,466	281,197	137,223	706,607	830,534
March	461,450	288,842	549,182	207,529	180,070	605,696	1,133,969
April	247,071	282,672	444,367	486,726	187,313	477,053	1,601,864
May	371,140	350,738	313,343	1,077,585	204,522	851,426	1,088,587
June	406,378	228,433	244,643	1,570,805	176,041	528,093	1,389,470
July	520,503	248,645	237,972	1,852,012	283,953	245,845	308,399
August	406,257	318,960	279,144	414,966	544,528	169,400	558,387
September	705,396	273,798	185,206	433,747	506,926	437,503	817,409
October	1,272,223	352,172	255,545	399,022	206,902	308,888	1,350,604
November	1,502,222	809,693	385,780	370,525	193,093	431,758	446,867
December	978,607	590,284	317,322	338,570	149,733	125,308	532,593
Total	8,701,405	4,361,960	4,616,120	7,633,817	2,897,388	5,264,818	11,047,472

The volume of sales on the Montreal Curb Market in 1936 showed a substantial increase over the previous year. The total for the mines group in 1935 was 15,326,220 shares and in 1936, 69,429,845. Under the miscellaneous group the total in 1935 was 2,260,245 and in 1936, 5,952,844. The following table gives a monthly record of transactions on the Curb for the years 1935 and 1936 as compared to 1934:

	1936		1935		1934	
	Miscellan.	Mines	Miscellan.	Mines	Miscellan.	Mines
January	396,423	4,239,235	211,945	1,015,980	510,018	1,262,625
February	645,972	3,925,643	135,322	1,134,758	414,692	2,344,433
March	350,171	1,946,216	153,741	2,885,069	275,244	2,874,985
April	247,071	2,035,429	141,498	1,473,069	376,013	3,775,894
May	252,844	7,216,082	228,788	1,580,740	253,149	1,492,972
June	222,592	3,787,506	161,975	1,327,487	152,704	1,841,760
July	330,590	5,617,740	117,552	1,028,280	158,687	1,300,803
August	175,427	12,152,849	188,021	660,219	114,956	1,318,559
September	408,230	7,293,476	122,941	767,277	103,613	843,823
October	951,032	3,881,258	227,035	897,260	147,709	1,126,789
November	927,260	7,466,402	366,105	1,246,254	192,642	1,207,151
December	1,045,232	9,868,009	205,322	1,309,827	165,901	860,630
Total	5,952,844	69,429,845	2,260,245	15,326,220	2,865,328	21,250,424

Commercial Failures in Canada; Reorganizations, 1935—36

Commercial failures in Canada during the two years 1935 and 1936 reached the lowest levels in any year since 1922 when a total of 3,925 was shown (the first records were published in that year). During the fifteen-year period the general trend had been lower. The total number of failures dropped to 1,773 in 1926, rose again to 2,420 in 1932; and then declined once more to 1,314 in 1935 and to 1,198 in 1936. The amount defaulted showed a corresponding decline from $63,692,219 in 1922, to $30,634,469 in 1927, up again to $52,552,900 in 1931 and then to lows for the period of $17,567,002 in 1935 and $15,144,945 in 1936.

In the Maritimes, the number of failures declined sharply during the three-year period, 1934 to 1936. In 1934 there were 88 assignments; in 1935 there were 69, and in 1936 they had dropped to 50. The liabilities involved in 1936 of $352,000 were less than half those in 1934 of $728,000 and well below the 1935 total of $512,000. In Quebec the decrease in commercial failures was almost as great. The number of 779, recorded

in 1934, dropped to 632 in 1935 and to 589 in 1936. Total liabilities in the 1936 failures amounting to $6,952,000 were only 58 per cent. of those in 1934 which aggregated $11,967,000 and 16 per cent. below the 1935 total of $8,253,000. Fairly substantial declines were shown in the Ontario summary of 384 failures in 1936 as compared with 390 in 1935 and 474 in 1934. Liabilities dropped from $7,419,000 in 1934 to $6,053,000 in 1935 but rose slightly during 1936 to $6,244,000.

The records for the Prairie Provinces, reflecting the drought conditions there during this period, do not present as favourable a picture as the eastern part of Canada. The number of failures in 1936, amounting to 138, was a shade higher than the 1934 total of 134 but showed an improvement over the 1935 figure of 195. Liabilities, however, for 1936 were lower than those recorded in 1934, the aggregate for 1934 of $1,467,000 rising to $1,694,000 in 1935 but falling again in 1936 to $1,126,000. The total liabilities in British Columbia commercial failures in 1936 were less than 25 per cent. of those in 1934 although the actual number of failures dropped only from 57 to 37, after touching a low for the 15-year period of 28 in 1935. Liabilities in 1936 were $471,000; in 1935 they were $1,055,000; and in 1934, approximately, $2,018,000.

Year	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total	Liabilities
1936	6	29	15	589	384	33	57	48	37	1,198	$15,144,945
1935	4	28	37	632	390	46	66	83	28	1,314	17,567,002
1934	8	42	38	779	474	56	36	42	57	1,532	23,598,260
1933	10	55	42	935	730	67	59	88	58	2,044	32,953,858
1932	9	62	80	968	889	86	91	131	104	2,420	51,629,303
1931	7	51	74	795	793	100	152	131	104	2,216	52,552,900
1930	3	61	45	1,011	776	113	146	152	95	2,402	48,164,065
1929	1	71	61	927	762	91	84	101	69	2,167	38,747,638
1928	4	90	56	767	758	103	63	126	70	2,037	32,455,437
1927	4	66	74	658	681	97	54	135	72	1,841	30,634,469
1926	4	63	74	654	655	84	68	113	58	1,773	32,291,125
1922	15	121	131	1,589	1,058	284	272	299	156	3,925	63,692,219

Capital Reorganizations in 1935-36

Capital reorganizations were numerous during 1935 and 1936 as companies sought to readjust their capital structures and obligations in line with current and potential earnings. Some of the more important ones are summarized herewith:

Algoma Steel Corporation, Limited

A plan of reorganization, involving Algoma Steel Corporation, Limited, Algoma Consolidated Corporation Limited and The Lake Superior Corporation, was made effective in May, 1935, by proclamation of special legislation by the Ontario Government. The reconstruction of the Company was made possible by the granting of a bounty enabling the use of the Helen Mine's iron ore and by Ontario legislation of 1934 facilitating corporation reorganization. Under this plan, Lake Superior Corporation as a holding company disappeared. So did $10,000,000 of Algoma Steel preferred stock and $15,000,000 of Algoma Steel common; Lake Superior was to be wound up entirely. Algoma Consolidated Corporation, Limited, linked as it was with Algoma Central and Hudson Bay Railway Company continued as a separate entity. Capitalization of the new Company, Algoma Steel Corporation, Limited (Ontario charter), was to consist of an authorized $6,000,000 first mortgage bonds (of which $3,000,000 had been issued at November, 1938); $2,700,000 authorized 6 per cent. preference stock, convertible into common, share for share, at the holder's option for 10 years and non-cumulative for five years (of which $2,201,500 had been issued at November, 1938); and 130,000 shares of no-par value common

(authorized total later increased to 1,000,000 shares and split 4-for-1). To the holders of the $14,943,454 5 per cent. first and refunding mortgage bonds of the old Algoma Steel were issued 74,718 no-par value common shares on the basis of ½ share of common for each $100 of bonds. Holders of $5,278,000 of collateral trust bonds of Lake Superior received, on the basis of 50 cents on the dollar, $2,639,000 of preferred stock of $100 par of the new company.

Beauharnois Light, Heat and Power Company

During 1936 holders of this Company's 5½ per cent. series "A" first mortgage bonds unanimously accepted the offer to exchange their bonds, par for par, into 3½ per cent. first mortgage and collateral trust bonds, due 1973, of Montreal Light, Heat and Power Consolidated. The offer involved principal amount of $22,588,300, excluding those bonds of Beauharnois Light, Heat and Power Company already held by Montreal Power. One of the conditions of the offer, which expired Aug. 28, 1936, was that Beauharnois first mortgage bondholders sanction the deferment of sinking fund from 1942 to 1945 and the conversion of such bonds from fixed interest to non-cumulative income bonds.

Canada Bread Company, Limited

A capital reorganization was approved by stockholders on Aug. 27, 1935. This changed the non-cumulative rate of 7 per cent. on the 12,500 shares of first preferred, $100 par, to a cumulative rate of 5 per cent. which would be increased to 6 per cent. after July 1, 1941, and lowered the callable price from $125 to $110; the first preferred stock was made non-voting unless dividends were two full years in arrears, when it would have equal rights with the common stock, but it was given the right to elect two directors annually; it was given first preference as to assets and the right of equal participation in assets with the common and "B" preferred in any liquidation after it and the "B" each received $100 per share. The 25,000 "B" preferred shares, previously $100 par with a non-cumulative rate of 7 per cent., were changed to $50 par with a 5 per cent. cumulative rate; their callable price was reduced from $110 to $100 (on 15 days' notice); the Company was given the right to set aside $50,000 yearly to 1941 and $100,000 thereafter for retirement of the "B" stock in open market or by call; it was to have no voting power except to elect one director; in return for these concessions the issue would participate with the common after the latter had received 10 cents a share, at the rate of 8 cents on "B" for each additional one cent declared on the common. The number of common shares was not altered but the junior issue gave up the aforementioned participation in future earnings to the "B" preferred.

The change in the "A" preferred replaced a non-cumulative charge of $87,500 annually with a cumulative one of $62,500 to Aug. 1, 1941 and $75,000 thereafter. The "B" preferred non-cumulative charge of $175,000 was replaced by a cumulative one of $62,500.

Canada Paper Company

On Mar. 19, 1936, holders of the 7 per cent. cumulative preferred stock received an offer from the controlling Company, Howard Smith Paper Mills, Limited, to acquire all their stock on the basis of 1⅛ shares of Howard Smith 6 per cent. cumulative $100 par preferred, one share of Howard Smith no-par common and $2 cash for each share. All preferred stock of Howard Smith delivered in exchange was to carry cumulative

rights as from Apr. 1, 1936. The offer was to expire on May 30, 1936, or on such later date as Howard Smith Paper Mills would determine. It had been accepted by practically all holders by the end of 1936.

Canadian Industrial Alcohol Company Limited

On Dec. 22, 1936, shareholders approved the following refunding plan for the 20-year 6 per cent. guaranteed debenture stock, $5 par, of Robert McNish and Co., Ltd. outstanding at $3,934,155. The plan provided for delivery of: (a) $3.50 principal of unsecured 5 per cent. debentures of Canadian Industrial Alcohol, plus (b) $1 in cash, plus (c) a scrip certificate entitling the bearer to receive, on Nov. 15, 1937, 50 cents with interest at 5 per cent. *per annum* from Nov. 15, 1936, for each $5 principal amount of McNish debenture stock outstanding, excluding that owned by Canadian Industrial Alcohol.

The Consolidated Mining and Smelting Co. of Canada, Ltd.

In April, 1936, the $25 par stock was split 5-for-1 into new shares of $5 par value.

Consolidated Paper Corporation Limited

Bondholders and stockholders on Dec. 15, 1936, approved unanimously proposals in connection with the bonds, particularly with regard to manner of paying interest for the five years starting July 2, 1936. It was proposed to issue 15 shares of common stock in *lieu* of interest on each $1,000 par value of bonds for the three-year period ending July 2, 1939, being at the rate of five shares per $1,000 bond *per annum*. Interest for year ending July 2, 1940, would be payable on the latter date, instead of semi-annually. Similarly, interest for the next year would be payable July 2, 1941. If the net working capital on the preceding Apr. 30, in each year, were in excess of $10,000,000, the interest might be paid in cash, provided such payment would not reduce the net working capital below $10,000,000. Interest might, however, be paid in stock, at the rate of 5 shares in *lieu* of interest per $1,000 bond *per annum*, or the interest might be paid in a combination of cash and stock, the latter being valued for the purpose at $11 a share. To effect the above plan the authorized common stock was increased from 2,000,000 to 3,500,000 shares. Bondholders also approved a modification in sinking fund provision, involving postponement until Mar. 31, 1941, at least. Subsequent sinking fund payments would be contingent upon net current assets being in excess of $10,000,000 on the preceding Dec. 31. Previous provision had been for a sinking fund annually, beginning Mar. 1, 1936, for retirement of bonds of an amount equal to one per cent. of total aggregate principal amount of first mortgage bonds issued plus an amount equal to 5½ per cent. principal amount of all first mortgage bonds retired through the sinking fund; provided, however, that, save as expressly stipulated in the indenture, non-payment of sinking fund instalment should not give rise to any recourse or rights of action, its only consequence being that no dividend could be paid on capital stock until all sinking fund instalments have been paid together with interest thereon at 5½ per cent. *per annum*.

Dominion Coal Company, Limited

A plan of reorganization was approved in 1935 to wipe out accumulated dividend arrears of around $75 a share on the old 30,000 shares of 7 per cent. preferred stock, $100 par. The old stock was exchanged, 8-for-1, into 240,000 shares of new 6 per cent. preferred stock of $25 par, bearing

a cumulative dividend from Oct. 1, 1934. To provide for the increase in outstanding preferred stock from $3,000,000 to $6,000,000 the book value of common stock owned by Dominion Steel and Coal Corporation, Limited was reduced from $15,000,000 to $12,000,000.

Dominion Foundries and Steel, Limited

Shareholders were advised in June, 1935, that a plan of reorganization had been given Court approval. Each preference shareholder would receive, for every 3 shares of 8 per cent. cumulative stock held, 5 shares of 6 per cent. cumulative preferred, callable at 105, on which dividends accrued from Dec. 1, 1934; all arrears to that date were cancelled. Common shareholders under the new set-up received 4 shares for each 5 held.

Shareholders at a special meeting Dec. 23, 1936, approved splitting each of the old common shares of $100 par into 4 new common shares of no-par value.

Dominion Steel and Coal Corporation Limited

Plan of reorganization was approved almost unanimously by shareholders of Dominion Steel and Coal Corporation Limited and also of Dominion Coal Company Limited at meetings held Apr. 17, 1935, and unanimously by the Dominion Steel and Coal Corporation Limited debentureholders at their meeting on Apr. 18, 1935. In order to comply with legal requirements, another meeting of debentureholders was held on May 29 when the plan was finally approved. The plan included: (1) the surrender and cancellation of the then outstanding debenture stock and bonds and the release and discharge of the Corporation and its assets from the obligations and charges of the outstanding Trust Deeds; (2) the issue and delivery to each holder of the outstanding debenture stock and bonds of (a) a principal amount of new 6¼ per cent. cumulative participating registered income bonds (due 1955) issued by the corporation equivalent to 64 per cent. of the principal amount of debenture stock and/or bonds held by such holders; and in addition (b) a principal amount of 6 per cent. cumulative registered sinking fund debentures (due 1955) of Dominion Coal Company, Limited, equivalent to 50 per cent. of the principal amount of the debenture stock and/or bonds held by such holder. The above entailed the issuance to the existing holders of $6,887,548 debenture stock and bonds of $4,408,000 (approximately) 6¼ per cent. income bonds of the Corporation, and $3,500,000 (approximately) 6 per cent. debentures of the Coal company. (3) The authorization of an issue by the Corporation of prior lien first mortgage securities, limited to $3,500,000 in principal amount, to be used only for the purpose of collateral security for bankers' loans.

Donnacona Paper Company, Limited

Bondholders on Apr. 15, 1936, unanimously approved a plan of reorganization, details of which are given below, subject to an amendment which was also carried unanimously. The amendment provided that after Dec. 31, 1941, the division between the "A" and "B" common shares would be abolished and the two classes merged, with each share to have one vote. The amendment replaced the former provision under which the merger of the two classes would have taken place on Feb. 1, 1944, provided the Company would have fulfilled all its obligations under the Trust Deed.

The bondholders agreed to waive the annual sinking fund payable Feb. 1, 1936, together with the four semi-annual interest payments, due August, 1934, to February, 1936, inclusive, (payable if earned) and all accumulations, except $65,840 interest, which was to be paid in stock. There were issued to bondholders 131,680 newly authorized "A" common shares at the rate of 2 shares for each $100 of bonds held instead of cash for the $65,840 interest due and in further consideration for: (1) postponement of maturity of the bonds from Feb. 1, 1948, to Feb. 1, 1956; (2) conversion of the Company's obligation to pay interest at the rate of 5½ per cent. into an obligation to pay interest from Feb. 1, 1936, to Feb. 1, 1937, at 3 per cent. *per annum*; from Feb. 1, 1937, to Feb. 1, 1938, at 4 per cent.; and from Feb. 1, 1938, to maturity at 4½ per cent. *per annum*; (3) subject to sinking fund payments from 1937 to 1943, inclusive, being made only if such payments would not reduce net working capital below $1,000,000, the Company on Feb. 1, in each of these years should pay to Trustee for sinking fund ⅓ of its net income (before depreciation and depletion) for the previous calendar year; in years 1944 to 1955 inclusive, irrespective of working capital, the Company should pay on Feb. 1, for sinking fund, a sum of money equal to 2 per cent. of aggregate principal amount of bonds, together with a further sum equal to annual interest at the rate of 4½ per cent. *per annum* on all bonds previously retired through sinking fund—the failure to make any of the latter payments would constitute default; and (4) conversion of the Company's obligation to pay principal and interest of the bonds in gold coin or equivalent, or in English Sterling, into an obligation to pay same in legal tender where payable.

Under the plan, the existing 244,892 shares, consisting of 121,804 "A" and 123,088 "B", were increased by 131,680 "A" shares, with the result that the authorized share capital would consist of 376,572 shares divided into 253,484 "A" and 123,088 "B". The "A" and "B" shares, as formerly, ranked equal as regarded dividends and upon any return of capital and in all other respects, except as to voting rights. The existing preferences and privileges of the "A" and "B" shares, with respect to voting rights and merger, would be cancelled, and the "A" shares would carry exclusive voting rights until the two classes of shares were merged as heretofore set forth.

The plan cancelled former restrictions on the Company's power to declare dividends, except that the Company would not declare or pay any dividends on its share capital if net working capital should at the time of payment of any dividend be less than $1,000,000 after making provision for the payment of such dividend.

Fraser Companies, Limited

Bondholders on Apr. 28, 1936, and shareholders on Apr. 29, 1936, unanimously approved a plan for settling deferred bond and special bank loan interest through the issue of voting trust certificates representing common stock, so as to protect the Company's working capital position. Holders of common stock and voting trust certificates of record Apr. 30, 1936, were given right—until June 30—to subscribe for 186,866 additional voting trust certificates in the ratio of 1⅛ new shares for each one previously held (9 for 8) at $12 per share. If less than the total amount of stock was taken up, such cash as had been obtained from the sale of stock was to be distributed *pro rata* to bondholders for accrued and unpaid interest and the balance of deferred interest was to be satisfied by proportionate

distribution of stock in ratio of 5 shares per $1,000 principal amount of bonds for each one-year period of accrued and unpaid interest.

Shareholders subscribed for 114,202 shares or 61.11 per cent. of the voting trust certificates offered at $12, thereby providing the Company with $1,370,424 of cash to apply against deferred interest liabilities of $2,439,101.

On July 15, 1936, the Company announced that distribution of cash and voting trust certificates in satisfaction of deferred interest on its 6 per cent. first mortgage bonds, due 1950, would be made on the basis of $36 cash and 2 shares of voting trust for each $1,000 bond *per annum* of deferred interest to registered holders of record June 30, 1936. On the unstamped bonds, therefore, the distribution was $144 cash and 8 voting trust certificates per $1,000 bonds; on the single-stamped, $108 cash and 6 voting trust certificates, and on the double-stamped, $72 cash and 4 voting trust certificates.

Famous Players Canadian Corporation, Limited

In April, 1935, rights were issued to shareholders and holders of voting trust certificates of record Apr. 25, 1935, to subscribe to 18,940 shares of capital stock at $10 per share, stockholders being entitled to 1 new share for each 20 shares of stock or voting trust certificate held. Rights expired June 1, 1935. Of total offered, 18,734 shares were actually allotted realizing $187,340.

The Goodyear Tire and Rubber Co. of Canada, Ltd.

In conjunction with replacement of the old $7,187,500 of 7 per cent. preferred stock by $6,000,000 of 5 per cent. preferred, the no-par common stock was split 2-for-1 in 1935, increasing the outstanding amount to 257,260 shares.

The Great Lakes Paper Company, Limited

On Dec. 31, 1935, the Hon. J. A. McEvoy, Justice of the Supreme Court of Ontario, announced approval of sale of the property, assets and undertaking of the Company to J. E. Gefaell and L. E. Aldrich, implementing a plan of reorganization approved by bondholders Oct. 15, 1935. Holders of each $1,000 of the old 6 per cent. bonds received $600 of new 5 per cent. first mortgage bonds, due 1955, 9 shares of class "A" preferred stock and 8 common shares. This gave old bondholders all of the new first mortgage, 90 per cent. of the class "A" preferred and 80 per cent. of the common. Under the plan a deal was also made with 24 United States publishers who agreed to take a substantial portion of the Company's newsprint output for the following ten years at the published contract price in the customers' price zone. In exchange for these contracts the publishers were given all of the 100,000 shares of new class "B" $2 preferred shares which would go out of existence when the contracts expired. No dividends could be paid until the market price of newsprint was at least $45.30 a ton or which would have the effect of reducing the price below that figure.

Howard Smith Paper Mills Limited

Plan for funding of arrears on the preferred stock was approved by shareholders at a meeting held Feb. 12, 1936, and supplementary letters patent were issued later. The plan follows: a payment of $2 a share in cash, ⅛ share of new preferred and one share of new common in *lieu*

of arrears of $30.50 a share as at Mar. 31, 1936. Payment was made Apr. 10, 1936, to shareholders of record Mar. 31. (See item, "Canada Paper").

Lake St. John Power and Paper Company Limited

The 6 per cent. ten-year prior lien bonds and the Trust Deed securing the same and dated Feb. 15, 1933, were cancelled. Holders of 6½ per cent. first mortgage bonds received $120 of new or amended 5½ per cent. first mortgage bonds for each $100 of principal amount held. In addition, they received $2.50 in cash per $100 (or $25 per $1,000 bond), plus one-fifth share of new common stock. Holders of 6½ per cent. mortgage debentures received $125 of new 5 per cent. mortgage debentures for each $100 of principal amount held, $2 in cash plus one-half share of new common stock. Arrears of interest on both securities were cancelled, except that for the first six months of 1936, which was satisfied by the above payments in cash. Arrears of sinking fund were also eliminated. New sinking fund provisions relating to the first mortgage bonds were calculated sufficient to retire 75 per cent. of first mortgage bonds at maturity date in 1961. Holders of 7 per cent. cumulative preferred stock received one new share of 6 per cent. non-cumulative preferred stock, $100 par, for each 2 previously held plus 1.43 shares of new common. Holders of common stock received one share of new common for each 4 old. A voting Trust was established whereby three voting trustees, representing the bondholders and two voting trustees representing the debentureholders were entitled to elect five of the seven directors until Jan. 1, 1943. There was a provision, however, that when interest at rate of 5 per cent. *per annum* for two consecutive years and all accumulated interest arrears on the new mortgage debentures to the end of such two-year period had been paid in full, the voting trust should automatically cease. It might also be terminated at any time by the unanimous consent of the voting trustees, D. H. McDougall, A. S. McNichols, John Stadler, H. H. Horsfall and J. W. Mitchell.

The Lake Superior Corporation

See item, "Algoma Steel Corporation."

Montreal Light, Heat and Power Consolidated

See item, "Beauharnois Light, Heat and Power Company Limited".

George Weston Limited

On Feb. 1, 1935, shareholders approved a 2-for-1 split, sub-dividing the 200,000 shares of old common into 400,000 new shares and supplementary letters patent confirming the change were issued July 18, 1935.

Winnipeg Electric Company

Reduced earnings in the depression years and the burden as guarantor of principal and interest of the bonds of all its associated and subsidiary companies as well as other pressing obligations necessitated a capital readjustment which was declared operative on Apr. 23, 1936. Under the plan all inter-company liabilities and all bond guarantees disappeared and interest charges were scaled down substantially. The $2,917,000, 5 per cent. first mortgage bonds of the parent Company, due Jan. 1, 1935, were paid off through a new issue of $3,500,000, 4½ per cent. first mortgage bonds due 1960 and arrangements were made for repayment of the

$1,250,000 bank loan in annual instalments. The basis of exchange for other securities was as follows:

Bonds and Debenture Stock	Formerly Outstanding	EXCHANGED FOR: New General Mortgage Bonds	Common Shares Class "A"	Basis for New Shares	Contingent Certificates (a)
Winnipeg Electric Company:					
6% Ref. Mtge. Bonds 1954	$7,000,000	$7,000,000 "A"	63,000	9 for $1,000	$490,000
5% Ref. Deb. Stock (£)..	4,380,000	4,380,000 "A"	30,660	7 for $1,000	306,600
Manitoba Power Co., Ltd.:					
5½% 1st Mtge. "A", 1951)	11,521,700	11,521,700 "A"	103,695	9 for $1,000	806,519
5½% 1st Mtge. "B", 1952)					
Northwestern Power Co. Ltd.:	10,000,000	4,000,000 "A"	80,000	8 for $1,000	280,000
6% 1st Mtge. Bonds, 1960		6,000,000 "B"			
Suburban Rapid Transit Co.:					
5% 1st Mtge. Bonds, 1938	500,000	500,000 "A"	5,000	8 for $1,000	35,000
Winnipeg, Selkirk & Lake Winnipeg Co.:					
5% 1st Mtge. Bonds, 1933	44,500	44,500 "A"	356	8 for $1,000	3,115
Winnipeg Electric Company:					
Bank Loan Hypothecation..	1,829,300	1,829,300 "A"	....	....	....

Share Capital	Formerly Outstanding	EXCHANGED FOR: Non-Cumulative Preferred Shares	Common Shares Class "B"
Winnipeg Electric Company:	50,000 shares	50,000 shares	25,000 shares
7% cum. preferred $100 par-b (to be retained by present holders, modified as to dividends and otherwise)			
Common shares, no par value ..	244,772 shares		244,772 shares
Manitoba Power Company, Ltd.:			
No par common held by public	13,842 shares		13,842 shares
Northwestern Power Co., Ltd.:			
No par common held by public	28,759 shares		5,752 shares

(a) Contingent certificates issued for 7% of par value, being 1% for each of 7 years in which new bonds carry 4% instead of 5% interest. Company's only liability in respect of them is that they must be retired before any dividends or other distribution of profits.
(b) Accumulated preferred dividends amounted to $28 per share on October 1, 1935. All accruals were waived in plan of readjustment.

Life Assurance in Canada, 1934, 1935 and 1936

After a steady four-year decline, the net amount of new life assurance written in Canada began once more to move upward from the depression low of $578,585,659 in 1933, rising $16,609,161 in 1934 to $595,194,820, easing slightly in 1935 to $588,353,277, but recovering in 1936 to $618,469,198 (about 63 per cent. of the all-time peak of $978,141,485 reached in 1929). As a result of the large number of policies which were surrendered or allowed to lapse, total assurance in force decreased gradually from the high of $6,492,286,194 in 1930 to $6,220,725,929 in 1934, then recovered in 1935 to $6,259,158,404 and in 1936 to $6,406,954,978.

Premium and annuity considerations totalled $213,335,091 in 1934, off $15,169,821 from the 1931 figure of $228,504,912. In 1935, these payments dropped to $208,140,141 but rose in 1936 to $209,679,685.

Death claims, continuing the decline from the 1932 figure of $45,394,243, dropped to $41,774,003 in 1934 and to $41,070,312 in 1935, but in 1936 rose again to $43,395,422.

Lapsed and surrendered policies, after totalling $785,733,939 in 1933 (120.04 per cent. of gross new business written) amounted only to $635,310,202 in 1934 (92.83 per cent. of new business), declining again to $535,496,736 (81.42 per cent. of new business) in 1935 and to $478,147,985 in 1936 (71.18 per cent. of gross new business written).

Life Assurance in Canada from 1925 to 1936

	New Assurance Paid For	Assurance In Force	Premium* Income	Death Claims
1936	$618,469,198	$6,406,954,978	$209,679,685	$43,395,422
1935	588,353,277	6,259,158,404	208,140,141	41,070,312
1934	595,194,820	6,220,725,929	213,335,091	41,774,003
1933	578,585,659	6,247,625,974	214,780,332	43,735,584
1932	653,249,366	6,471,608,546	219,159,475	45,394,243
1931	782,716,064	6,622,267,793	228,504,912	43,082,004
1930	884,749,748	6,492,286,194	222,689,286	42,147,970
1929	978,141,485	6,157,262,207	212,898,456	39,797,697
1928	918,742,064	5,607,645,623	194,943,745	35,029,860
1927	838,475,057	5,044,408,834	174,731,364	28,150,247
1926	797,940,009	4,610,196,334	160,746,413	26,254,157
1925	712,091,889	4,159,019,848	146,583,956	22,477,739

* Life assurance premiums and annuity considerations.

Canadian, British and Foreign Companies

Canadian life assurance companies during the years 1934, 1935 and 1936 increased their percentage of the total new life assurance written in Canada from 61.14 per cent. in 1933 to 63.08 per cent. in 1936. Out of a total of $618,469,198 of new assurance put into force in Canada during 1936, Canadian companies were credited with $390,113,764 (an increase of $36,380,627 over the ten-year low recorded in 1933), British companies had a total of $18,623,741 (an increase of $4,693,696 over the 1933 figure) and foreign companies, $209,731,693 (a drop of $1,198,784 from the 1933 figure).

The greater part of the life assurance policies in force in Canada at the end of 1936 still continued to be held with Canadian companies. In spite of the fact, however, that Canadian companies, during the three years 1934 to 1936, were increasing their percentage of the total new assurance written, the percentage of policies in force in Canada held with Canadian companies decreased from 66.59 per cent. at the end of 1933 to 66.49 per cent. at the end of 1936. Out of a total life assurance in force in Canada of $6,406,954,978 at the end of 1936, policies amounting to $4,260,278,614 were held with Canadian companies (an increase of $100,007,044 over the 1933 figure), policies amounting to $130,429,348 were held with British (an increase of $16,619,239 over the 1933 figure), and policies amounting to $2,016,247,016 were held with foreign companies (an increase of $42,780,528 over the 1933 figure).

Out of a total of $200,157,567 net premium income paid by Canadian life assurance policyholders in 1936, Canadian companies received $129,261,986 (as against $133,693,742 in 1933), British companies received $3,975,367 (as against $3,671,235 in 1933) and foreign companies, $67,307,639 (as against $69,589,247 in 1933). Comparative records follow:

	Premium Income	New Assurance Paid For (net)	Assurance In Force
Canadian Companies:			
1936	$129,261,986	$390,113,764	$4,260,278,614
1935	128,714,106	365,537,580	4,165,489,026
1934	131,407,513	367,501,979	4,139,297,799
1933	133,693,742	353,733,137	4,160,271,570
1932	138,805,014	399,498,023	4,311,747,692
1931	145,990,909	491,340,864	4,409,707,938
1930	142,059,595	594,704,790	4,319,373,209
1929	137,319,487	645,207,646	4,051,612,499
1928	124,653,424	606,902,108	3,672,010,075
1927	111,644,539	544,385,411	3,277,040,348
British Companies:			
1936	3,975,367	18,623,741	130,429,348
1935	4,733,100	17,961,436	123,148,855
1934	3,682,687	17,131,400	116,756,554
1933	3,671,235	13,930,045	113,810,109
1932	3,821,016	13,054,139	115,831,319
1931	3,952,106	13,735,682	119,259,988
1930	4,924,980	10,769,103	117,410,860
1929	4,000,064	11,138,775	116,545,637
1928	4,036,669	12,312,500	115,340,577
1927	3,963,695	15,414,004	113,863,716

Foreign Companies:	Premium Income	New Assurance Paid For (net)	Assurance In Force
1936	67,307,639	209,731,693	2,016,247,016
1935	66,710,361	204,849,595	1,971,094,545
1934	67,493,336	211,428,671	1,964,184,199
1933	69,589,247	210,930,477	1,973,466,488
1932	73,506,927	240,697,204	2,044,029,535
1931	75,208,993	277,651,018	2,093,588,564
1930	73,539,152	279,275,855	2,055,502,125
1929	69,408,928	321,801,064	1,989,104,071
1928	64,255,078	299,527,456	1,820,979,858
1927	58,124,125	278,675,642	1,653,474,770

The following tables show the expansion of life assurance in Canada during the years 1875 to 1936 inclusive:

Assurances Effected In Years Only	Canadian	British	Foreign	Total
1875	$5,077,601	$1,689,833	$8,306,824	$15,074,258
1885	14,691,195	3,748,647	8,327,646	26,767,488
1895	27,680,372	3,337,638	13,083,888	44,101,898
1905	66,414,264	3,866,980	34,438,341	104,719,585
1915	118,283,349	5,563,143	94,358,935	218,205,427
1925	443,895,626	17,118,928	251,077,335	712,091,889
1930	594,843,540	10,769,103	279,275,855	884,888,498
1931	491,340,864	13,735,682	277,639,518	782,716,064
1932	399,498,023	13,054,139	240,697,204	653,249,366
1933	353,733,137	13,930,045	210,930,477	578,585,659
1934	367,501,979	17,131,400	211,428,671	595,194,820
1935	365,537,580	17,961,436	204,849,595	588,353,277
1936	390,113,764	18,623,741	209,731,693	618,469,198

Total Assurance in Force At End of Year in Canada	Canadian	British	Foreign	Total
1875	$21,957,296	$19,445,607	$43,596,361	$85,009,264
1885	74,591,139	25,930,272	49,440,735	149,962,146
1895	188,326,057	34,341,172	96,590,352	317,257,581
1905	397,946,902	43,809,211	188,578,127	630,334,240
1915	829,972,809	58,087,018	423,556,850	1,311,616,677
1925	2,672,989,676	108,565,248	1,377,464,924	4,159,019,848
1930	4,319,430,221	117,448,366	2,055,571,155	6,492,449,742
1931	4,409,707,938	119,259,988	2,093,588,564	6,622,556,490
1932	4,311,747,692	115,831,319	2,044,029,535	6,471,608,546
1933	4,160,271,570	113,810,109	1,973,466,488	6,247,625,974
1934	4,139,297,799	116,756,554	1,964,184,199	6,220,725,929
1935	4,165,489,026	123,148,855	1,971,094,545	6,259,158,404
1936	4,260,278,614	130,429,348	2,016,247,016	6,406,954,978

Canadian Life Companies, 1934-36

The Sun Life Assurance Company of Canada continued to lead by a substantial margin during 1934, 1935 and 1936 all other Canadian life companies in the amount of new policies put into force. New life policies written by Sun Life increased during 1934 to $229,688,427 from the 1933 total of $211,715,748; declined during 1935 to $213,367,008, and during 1936 to $203,542,272. London Life Insurance Company maintained second place during this period, total new policies declining during 1934 from the 1933 total of $92,090,622 to $91,725,531, and again during 1935 to $77,130,521, but rising in 1936 to $84,312,396. The Manufacturers Life Insurance Company remained in third place through 1934, increasing to $54,939,767 in 1935 and dropping to $49,811,954 in 1936. The Canada Life Assurance Company rose to fourth place in 1936 from sixth place in 1934 and 1935. The Mutual Life Assurance Company of Canada jumped to fourth place in 1935 from seventh place in 1934, dropping to fifth place in 1936. Confederation Life Association dropped to sixth place in 1936, after having been in fifth place in 1934 and 1935. The Great West Life Assurance Company was seventh during 1935 and 1936, after occupying fourth place in 1934.

In the total of life assurance in force at the end of the year, Sun Life stood first in 1934, 1935 and 1936, with total policies at the end of 1936 of $2,737,741,643. The Canada Life was second with policies in

force at the end of 1936 of $705,259,073. The Great West was in third place during this three-year period, and London Life in fourth place. During 1935 and 1936, The Manufacturers Life was in fifth place (sixth place in 1934), and The Mutual Life was sixth (fifth place in 1934). Confederation Life remained in seventh place during the three years.

Records of Individual Life Assurance Companies

	New Assurance Paid For		
	1936	1935	1934
Canada Life	$41,163,591	$38,046,718	$37,041,800
Commercial	1,242,569	1,190,477	1,234,096
Confederation	37,589,482	39,285,106	37,147,084
Continental	4,986,072	4,863,388	3,747,973
Crown	26,179,509	26,340,436	24,222,992
Dominion	19,041,121	16,968,045	16,925,455
Dominion of Canada	1,577,367	1,369,387	1,313,025
Eaton	2,500,752	2,539,049	2,422,805
Equitable	2,311,377	.....	.....
Excelsior	14,478,859	12,018,320	8,818,075
Great West	37,575,040	35,923,950	53,269,580
Imperial	18,062,998	20,388,346	21,066,224
London	84,312,396	77,130,521	91,725,531
Manufacturers	49,811,954	54,939,757	53,649,374
Maritime	1,685,728	1,588,249	1,585,116
Monarch	6,971,963	5,688,322	6,331,243
Montreal	4,894,187	5,455,648	5,240,793
Mutual	40,377,215	39,664,845	36,526,734
National	6,869,114	6,439,076	5,767,289
North American	20,041,683	18,668,954	14,776,784
Northern	4,994,585	3,785,134	3,103,252
Royal Guardian	697,528	606,382	493,409
Saskatchewan	1,758,195	1,129,739	1,054,680
Sauvegarde	9,304,580	5,883,164	2,939,753
Sovereign	5,212,451	4,854,934	3,024,230
Sun Life	203,542,272	213,367,008	229,688,427
Western	1,608,827	371,125	1,463,941

	Total Assurance In Force		
	1936	1935	1934
Canada Life	$705,259,073	$705,153,090	$711,248,756
Commercial	10,002,843	10,231,014	10,003,377
Confederation	369,090,349	357,894,915	336,861,735
Continental	36,357,192	34,969,413	33,889,376
Crown	159,004,936	147,281,942	137,808,680
Dominion	150,835,675	143,586,367	138,812,901
Dominion of Canada	8,987,112	8,082,486	7,478,375
Eaton	25,799,095	24,870,731	23,857,072
Equitable	36,930,087	.....	.....
Excelsior	91,462,998	86,009,622	82,940,891
Great West	547,157,728	545,383,724	545,428,269
Imperial	261,864,368	259,589,044	259,476,361
London	531,417,397	517,006,245	500,634,493
Manufacturers	516,341,745	505,088,053	498,367,561
Maritime	11,776,403	10,941,629	10,435,508
Monarch	53,992,136	52,695,684	52,288,292
Montreal	36,393,167	35,277,342	33,172,803
Mutual	513,579,893	504,611,141	495,546,536
National	51,891,103	51,348,258	51,167,750
North American	183,101,532	177,754,866	172,145,836
Northern	41,745,411	41,135,378	40,725,082
Royal Guardian	3,434,014	3,311,146	3,309,986
Saskatchewan	8,537,354	8,335,149	8,029,037
Sauvegarde	31,970,548	26,358,156	23,952,029
Sovereign	27,785,579	26,625,377	24,982,264
Sun Life	2,737,741,643	2,696,013,408	2,705,547,051
Western	7,146,171	6,865,579	7,444,890

"Outside" Canadian Business, 1934-36

The increasing importance of life assurance written with Canadian companies outside of Canada continued to be shown in the reports covering the period from 1934 to 1936. The percentage of assurance written outside of Canada to the total assurance in force with Canadian companies rose from 40.2 per cent. at the beginning of 1934 to 40.7 per cent. at the end of 1936. Although the new business written during each of these years was

greater in the Canadian territory, rising $36,388,627 from the 1933 total of $353,725,137 to $390,113,764 during 1936, compared with a $2,794,208 increase in the outside new business from $257,821,318 during 1933 to $260,615,526 during 1936, cancellations and lapses in Canada wiped out this margin over outside business. As a result, total assurance in force inside Canada rose only $99,927,044 during this period, from $4,160,351,570 at the end of 1933 to $4,260,278,614 at the end of 1936. This compares with an increase of $160,128,625 in the total assurance in force with the policyholders outside Canada, namely, from $2,759,491,777 at the end of 1933 to $2,919,620,402 at the close of 1936.

Canadian Life Assurance Companies

	1936	1935	1934	1933
Premium Income:				
Outside Canada	$112,374,985	$113,474,329	$113,014,198	$113,077,134
In Canada	129,261,986	128,714,106	131,407,513	133,693,742
Total Business	$241,636,971	$242,188,435	$244,421,711	$246,770,876
New Assurance Paid For:				
Outside Canada	$260,615,526	$275,308,027	$298,588,624	$257,821,318
In Canada	390,113,764	365,542,246	366,634,749	353,725,137
Total Business	$650,729,290	$640,850,273	$665,223,373	$611,546,455
Assurance In Force:				
Outside Canada	$2,919,620,402	$2,826,740,803	$2,787,541,533	$2,759,491,777
In Canada	4,260,278,614	4,164,893,298	4,139,796,088	4,160,351,570
Total Business	$7,175,899,016	$6,991,634,101	$6,927,337,621	$6,919,843,347

Fire Insurance in Canada During 1934, 1935 and 1936

In 1934, 1935 and 1936 fire insurance premiums from Canadian policyholders continued the downward trend begun in 1929, dropping from $41,573,980 in 1933 to $41,468,119 in 1934, to $40,884,876 in 1935 and in 1936 to $40,217,782, the last being the lowest amount recorded for any year in Canada since 1919. During the three-year period, 1934-36, premiums paid to Canadian companies declined from the 1933 total of $7,975,622 to $7,925,621, premiums paid to British companies by Canadian policyholders declined from $18,560,662 to $16,495,141 and premiums paid to foreign companies rose from $15,015,851 to $15,797,020.

The gross amount of risk in Canada continued to decline during 1934 from the peak of $10,791,096,165 in 1929, dropping from $10,644,787,101 in 1933 to $9,506,703,020 in 1934, but rose again in 1935 to $9,641,773,674 and in 1936 to $9,663,437,086. Out of the 1936 total, Canadian companies held policies amounting to $1,793,393,973; British companies, $4,317,997,708; and foreign companies, $3,552,045,405.

Net losses continued to decline from the high of $30,427,968 in 1929 to $14,172,118 in 1936. The decline in net losses has been proportionately greater than the decline in premiums, the ratio between net losses and net premiums dropping from a peak of 64.09 per cent. in 1932 to 40.92 per cent. in 1934, 36.25 per cent. in 1935 and 34.99 per cent. in 1936. The loss ratio for Canadian companies remained the lowest during these three years, being 32.83 per cent. as compared with 35.40 per cent. for the British companies and 36.27 per cent. for foreign companies in 1936.

As the following table shows, business done by Canadian fire companies was substantially below that of British and foreign companies.

Fire Insurance in Canada

Year 1934	Net Premiums	Gross Amount At Risk	Net Losses	Loss Ratio %
Canadian Companies	$7,916,430	$1,820,432,796	$3,208,593	40.53
British Companies	18,120,914	4,522,962,437	7,267,235	40.10
Foreign Companies	15,430,775	3,163,307,787	6,492,202	42.07
Year 1935				
Canadian Companies	7,899,900	1,773,859,131	2,627,582	33.26
British Companies	17,443,350	4,521,529,488	6,251,192	35.84
Foreign Companies	15,541,626	3,346,385,055	5,942,691	38.24
Year 1936				
Canadian Companies	7,925,621	1,793,393,973	2,602,600	32.83
British Companies	16,495,141	4,317,997,708	5,839,749	35.40
Foreign Companies	15,797,020	3,552,045,405	5,629,769	36.27
All Companies				
1936	$40,217,782	$9,663,437,086	$14,072,118	34.99
1935	40,884,876	9,641,773,674	14,821,465	36.25
1934	41,468,119	9,506,703,020	16,968,030	40.92
1933	41,573,986	10,644,787,101	21,655,460	52.10
1932	46,911,929	10,339,649,769	30,068,923	64.09
1931	51,701,259	10,789,737,477	29,938,409	57.93
1930	52,646,520	10,311,193,608	30,427,968	55.74
1929	56,112,457	10,791,096,165	30,299,839	53.69
1928	57,111,846	9,187,224,958	26,602,925	46.58
1927	53,893,198	8,531,129,424	21,944,984	40.72

Fraternal Insurance in Canada during 1934, 1935 and 1936

The total amount of new certificates issued in Canada in the mortuary department by Canadian Fraternal Societies increased from $7,895,886 in 1933 to $9,760,802 in 1934, then eased off to $9,335,867 in 1935 and further to $7,343,950 in 1936. New certificates issued by Foreign Fraternal Societies dipped from $3,569,550 in 1933 to $3,437,570 in 1934, but rose to $3,836,683 in 1935 and to $5,350,134 in 1936. The total amount of insurance in force in the mortuary department with Canadian Societies in Canada decreased steadily from $118,005,740 in 1933 to $116,738,500 in 1934, to $106,882,394 in 1935 and to $103,673,283 in 1936 while that in force with Foreign Societies dropped from $52,707,770 in 1933 to $50,617,201 in 1934, rising, however, in 1935 to $50,642,333 and again sharply to $64,912,851 in 1936.

Premiums paid in the mortuary department to Canadian Societies declined from $2,460,916 in 1933 to $2,371,386 in 1934, to $1,882,790 in 1935 and to $1,802,479 in 1936. Those paid into Foreign Societies showed continuous improvement during this same period, rising from $936,918 in 1933 to $965,081 in 1934, to $979,666 in 1935 and jumping to $1,438,081 in 1936.

In the sickness department, premiums received by Canadian Societies decreased from $333,902 in 1933 to $290,319 in 1934, and to $274,091 in 1935, but recovered slightly in 1936 to $274,785. Those received by Foreign Societies increased from $83,522 in 1933 to $102,173 in 1934, to $126,076 in 1935 and to $132,913 in 1936.

Benefits paid to Canadian members by Canadian Societies eased slightly in the mortuary department from $3,576,423 in 1933 to $3,458,208 in 1934, to $3,381,297 in 1935 but improved in 1936 to $3,505,486. In the sickness department claims fell off from $392,460 in 1933 to $326,567 in 1934 and to $293,780 in 1935 but rallied in 1936 to $296,282. Benefits paid by Foreign Societies in Canada in the mortuary department moved steadily upward from $901,237 in 1933 to $1,012,918 in 1934, to $1,015,819 in 1935

and to $1,164,725 in 1936. Sickness claims paid by Foreign Societies dipped from $97,802 in 1933 to $95,684 in 1934 but recovered in 1935 to $118,562 and to $134,069 in 1936.

Total claims and benefits paid in both departments by Canadian Societies declined from $3,968,883 in 1933 to $3,784,775 in 1934 and to $3,675,077 in 1935 but rose again in 1936 to $3,801,768. Total paid by Foreign Societies increased from $999,039 in 1933 to $1,108,602 in 1934, to $1,134,381 in 1935 and to $1,298,794 in 1936.

The grand total of claims and benefits paid out to Canadian members of Fraternal Societies slipped from $4,967,922 in 1933 to $4,983,377 in 1934 and to $4,809,458 in 1935 but rose again in 1936 to $5,100,562.

The ratio between the total claims and benefits, and the total premium receipts rose from 130 per cent. in 1933 to 140 per cent. in 1936.

INDUSTRIES AND COMMERCE

General Production in Canada

The year 1936 registered a considerable advance in the recovery movement, measured by a gain of 12½ per cent. in the net value of production from that of 1935, according to the *Survey of Production in Canada* issued by the Dominion Bureau of Statistics, in 1938. The net value of commodities produced in 1936 was $2,665,861,689, as compared with $2,369,064,383 in 1935. The gross value of production in 1936 was $4,933,384,625 and, in 1935, $4,346,117,217. Each of the nine main branches of production showed gains ranging from nearly 4 per cent. in trapping to over 22 per cent. in mining. The mining industry showed the greatest gain, all metals, with the exception of silver, moved in much greater volume. The net mineral production for 1936 was $291,972,359 with a gross production of $497,332,721; the relative figures for 1935 were $238,581,268 and $411,094,583. Due to improved agricultural prices, the decline in the volume of field crop production was more than counterbalanced, a gain of nearly 12 per cent. being registered. Net agricultural production in 1936 was $690,379,000 with a gross production of $1,079,571,000, the relative figures for 1935 were $617,867,000 and $952,431,000. Manufacturing showed a gain of 12.1 per cent., with a net production in 1936 of $1,289,592,672 and a gross of $3,002,403,814, as compared with a net of $1,150,899,283 and gross of $2,651,325,388 in 1935. Forestry gained 16.8 per cent., export being particularly active. The net forestry production in 1936 was $231,937,561 and the gross, $400,292,122, as compared with a net of $198,545,244 and a gross of $341,432,372 in 1935. Fisheries showed an advance of 13 per cent., with a net production of $34,234,063 and a gross of $51,081,135 in 1936, as compared with a net of $30,269,056 and a gross of $45,386,749 in 1935. Trapping gained 3.8 per cent. in net value with a net and gross production of $9,214,325 in 1936 and $8,877,331 in 1935. Electric power gained 6.7 per cent. in net value with a net production of $133,561,387 and a gross of $135,865,173 as against a net of $125,123,078 and a gross of $127,177,954 in 1935. A net increase of $15 millions or 12.4 per cent. was shown in the construction industry in 1936, the net production being $135,851,162 and the gross, $258,040,400 against a net of $120,-815,289 and a gross of $215,548,873 in 1935. The net value of custom and repair work for 1936 was placed at $97,333,712, a gain of 6.1 per cent., the gross value was $158,202,576, as compared with a net value of $91,-711,442 and a gross value of $149,948,104 in 1935.

Comparing the growth of primary and secondary industries, the primary group registered a net advance of 14.1 per cent. in 1936 over 1935, while secondary production showed a net increase of 11.7. This was attributed to the rise in the cost of primary materials. The official price index of producers' goods reached 72.4 in 1936 from 69.6 in 1935, whereas the index of consumers' goods advanced only to 74.7 from 73.6, which indicated a close approach to a price parity between the two great branches of the national economy.

Gains were shown in net production in all Provinces in 1936, the net total for the Maritimes being up 8.7 per cent., with advances of 13.3 per cent. for Prince Edward Island, 8.8 per cent. for Nova Scotia and 7.8 per cent. for New Brunswick. The net production for Quebec was

up 9.4 per cent. and the increase in Ontario, due to mining, was 12.9 per cent. Manitoba registered the greatest advance of any Province with 21.3 per cent., while Saskatchewan and Alberta gained 16.0 per cent. and 7.3 per cent., respectively. British Columbia and the Yukon showed a gain of 20.9 per cent. over 1935. Of the Dominion total production, Ontario produced 44.4 per cent., as compared with 44.2 per cent. in 1935; Quebec produced 24.6 per cent. as against 25.4 in 1935. British Columbia and Alberta held third and fourth position with 8.1 per cent. and 6.2 per cent. of the grand total, followed in order by Saskatchewan, Manitoba, Nova Scotia, New Brunswick and Prince Edward Island. All Provinces recorded *per capita* production betterment in 1936. Ontario's net output was nearly $321 *per capita* in 1936, an increase of $35 over 1935. British Columbia, with a *per capita* output of $283 showed an increase of $44 over 1935. Alberta and Quebec figures were about even at $213 and $212, respectively, both showing gains over 1935. The Dominion net commodity production at $241.75 *per capita* was $25 more than in 1935. The estimated increase in population in 1936 over 1935 was nearly 1 per cent., the estimate being 11,028,000. (For further items of production for 1935 and 1936 see Section, "Statistical Survey" and detailed comparative Reports will be found elsewhere in this Section under the respective headings).

Comparative summaries of the gross value of production by Provinces for the years 1933-1936 are appended herewith:

	1933	1934	1935	1936
	$	$	$	$
Prince Edward Island	17,446,777	17,864,849	19,269,535	21,685,424
Nova Scotia	108,802,323	132,936,541	145,284,538	156,653,932
New Brunswick	81,180,773	98,700,994	107,542,475	118,176,103
Quebec	884,694,474	1,054,450,210	1,126,333,296	1,263,428,385
Ontario	1,462,091,162	1,799,433,421	1,962,942,914	2,234,703,431
Manitoba	165,273,233	196,750,703	201,426,835	234,807,096
Saskatchewan	161,004,065	191,256,574	218,126,039	256,461,584
Alberta	206,997,231	256,721,783	246,617,139	263,239,084
British Columbia-Yukon	244,173,114	294,818,116	318,574,446	384,229,586
Grand total	3,331,663,152	4,042,933,196	4,346,117,217	4,933,384,625

In conformance with Resolution 23 adopted by the Conference of British Commonwealth Statisticians of 1935, the cost of fuel and purchased electricity was deducted from the gross value of (1) manufactured goods for 1933 and 1934 and (2) of all industries for 1935 and 1936. This is in addition to the deduction for cost of materials and process supplies.

Agriculture: Values and Production, 1934—1936

The current value of farm capital (gross agricultural wealth) in Canada, including land and buildings, implements and machinery, and live stock, in 1936 was $4,626,161 as compared with $4,712,391 in 1935 and $4,464,147 in 1934, according to the *Monthly Bulletin of Agricultural Statistics,* March, 1938. The average value per acre of occupied farm lands in Canada, including improved and unimproved land together with dwelling houses and all other farm buildings was reported as $24 in both 1935 and 1936, in 1934 it was $23. By Provinces, the average values in 1936 were as follows (with the 1935 and 1934 values in brackets): Prince Edward Island, $31 ($31 and $34); Nova Scotia, $35 ($31 and $27); New Brunswick, $28 ($25 and $24); Quebec, $38 ($41 and $34); Ontario, $44 ($42 and $41); Manitoba, $16 ($17 and $17); Saskatchewan, $15 ($17 and $16); Alberta, $16 ($16 and $16); and British Columbia, $60 ($58 and $60).

The average wages per month of farm help in Canada during the Summer season of 1936 were for men, $21 (1935, $20 and 1934, $18); and for women, $11 (1935, $11 and 1934, $10). The value of board per month

for men in 1936 was $16 and for women $13, in each case the value was one dollar in advance of the figures for 1935 and 1934. The average yearly wage for men in 1936 was $206 (1935, $184 and 1934, $171); for women, $126 (1935, $117 and 1934, $115).

For all Canada, the average values per head of live stock in 1936 were estimated as follows (with the averages for 1935 and 1934 within brackets): horses, $72 ($65 and $57); milch cows, $37 ($35 and $29); other cattle, $23 ($22 and $17); all cattle, $29 ($27 and $22); sheep, $5.42 ($5.02 and $4.18); hogs, $10.98 ($11.77 and $9.86). The average value per lb. of wool in 1936 was estimated at 14 cents, as compared with 12 cents in 1935 and 10 cents in 1934. The total numbers and values of farm live stock in 1936 were estimated as follows (with averages for 1935 and 1934 within brackets): horses, 2,891,540, $208,170,000 (2,931,337, $189,341,000 and 2,933,492, $168,132,000); milch cows, 3,885,300, $143,316,000 (3,849,200, $134,000,000 and 3,864,200, $110,721,000); other cattle, 4,955,300, $112,247,000 (4,971,400, $107,152,000 and 5,087,700, $84,657,000); total cattle, 8,840,600, $255,563,000 (8,820,600, $241,152,000 and 8,951,900, $195,378,000); sheep, 3,327,100, $18,077,000 (3,399,100, $17,055,000 and 3,421,100, $14,298,000); and hogs, 4,145,000, $45,488,000 (3,549,200, $41,778,000 and 3,654,000, $36,029,000).

The estimated numbers and values of farm poultry in 1936 (with figures for 1935 and 1934 within brackets) were: hens and chickens, 55,769,300, $35,040,000 (53,062,900, $34,570,000 and 55,429,500, $30,529,000); turkeys, 2,044,700, $3,623,000 (2,066,200, $3,882,000 and 2,643,900, $3,323,000); geese, 854,900, $1,165,000 (918,100, $1,263,000 and 943,600, $1,032,000); ducks, 670,500, $538,000 (721,600, $577,000 and 781,700, $514,000); and all poultry, 59,339,400, $40,366,000 (56,768,800, $40,292,000 and 59,798,700, $35,398,000).

During the three years 1934-36 there was an increase in revenue from farm animals, dairy products, poultry and eggs, fur farming and maple products. The revenue from field crops, clover and grass seed, and honey and wax showed an increase for 1934 and 1936 but dropped a little in 1935; wool decreased in 1934, but increased in 1935 and 1936; fruits and vegetables, tobacco, and flax fibre showed an increase in 1934 and 1935 and a decrease in 1936. In 1934, the greatest increases in revenue were from field crops and dairy products; in 1935, farm animals and dairy products, and in 1936, field crops and farm animals. In 1934, the only decrease in revenue was in wool; in 1935, the greatest decreases were from field crops, and honey and wax; in 1936, fruit and vegetables, and tobacco.

The gross value of commodities produced on Canadian farms in 1936 was $1,079,571,000 (revised estimate) as compared with $952,431,000 in 1935 and $942,837,000 in 1934. Gains in gross value were recorded in all Provinces in 1936, Ontario leading with an increase of only $40 millions. Values for 1936 by Provinces (with 1935 and 1934 figures in brackets) were: Ontario, $360,329,000 ($315,256,000 and $304,733,000); Quebec, $189,970,000 ($175,074,000 and $182,095,000); Saskatchewan, $185,532,000 ($161,273,000 and $132,162,000); Alberta, $149,000,000 ($138,481,000 and $151,440,000); Manitoba, $77,659,000 ($59,368,000 and $71,318,000); British Columbia, $41,869,000 ($37,054,000 and $36,713,000); New Brunswick, $30,408,000 ($25,402,000 and $24,867,000); Nova Scotia, $29,039,000 ($27,264,000 and $26,512,000); and Prince Edward Island, $15,765,000 ($13,259,000 and $12,997,000).

The net value of agricultural production in 1936, calculated by deducting from the gross value, estimates of the value of portions of crops used for seed and live stock feed, according to the revised estimate, was

$690,379,000, as compared with 1935 at $617,867,000 and that of 1934 at $584,597,000.

Canadian trade in products of farm origin, for the years ended Mar. 31, 1935 and 1936, showed a progressive increase in exports and a decrease in imports, according to the External Trade Branch of the Dominion Bureau of Statistics. Total trade for 1934-35 was $337,532,682 and $365,055,298 for 1935-36. Total imports were: in 1934-35, $75,097,349; and in 1935-36, $74,567,525. Total exports were: in 1934-35, $262,435,333; and in 1935-36, $290,487,773. Import declines were confined to the Field Crops section, both raw and manufactured, which decreased from $40,029,118 to $32,306,681 in the same period. In Animal Husbandry, both raw and manufactured products increased from $35,068,231 in 1934-35 to $42,260,844 in 1935-36. Field Crop exports increased from $213,296,316 in 1934-35 to $229,431,276 in 1935-36, while Animal Husbandry advanced from $49,139,017 to $61,056,497. Imports from the United Kingdom declined from $35,178,501 to $31,906,495, while exports to the United Kingdom increased from $163,295,776 in 1934-35 to $189,277,907 in 1935-36. Imports from the United States declined from $21,819,521 in 1934-35 to $19,643,112 in 1935-36, while exports soared from $49,298,653 to $61,955,681 in the two years.

The Department of Agriculture, 1935-36

The Annual Reports of the Department for the two fiscal years ended Mar. 31, 1935 and 1936, respectively, covered as in former years the numerous Branches of the Department. The largest and most important of these, the Experimental Farms Branch, is treated separately in a following chapter. Legislation enacted during 1935 and 1936, the operation of which would be under the direction of the Department, will be found under the Section dealing with Parliamentary affairs. Reports of the operation of the principal new and old laws pertaining to agriculture are given in this Section. For the greater part of the year 1935, the Hon. Robert Weir was Minister of the Department. Following the General Election in October, the Hon. James G. Gardiner, at that time, Prime Minister of Saskatchewan, joined the Mackenzie King Cabinet in November, as Minister of Agriculture. Mr. Weir, during his nine months of office, was engaged largely in executive work. He piloted drought relief legislation through Parliament at the 1935 Session, a provision of the Act putting it under the jurisdiction of the Department. Mr. Gardiner's first fourteen months in office saw the accomplishment of a particularly heavy volume of work. During the Summer of 1936 he made a six weeks' tour of Great Britain in the interests of trade in agricultural products. In the Autumn, he toured the Western Sections of Canada, addressing meetings at the chief centres *en route*. He spoke at the Royal Winter Fair at Toronto in November. In December he presided at a Conference of Provincial Ministers of Agriculture in Ottawa. It was announced by the senior Rehabilitation officer in May, 1936, that important changes in policy, approved by Mr. Gardiner, respecting the water conservation work organized in 1935 under the Rehabilitation Act, were being put into force; they included a revised basis for engineering and financial assistance for the building of stock-watering dams and small irrigation works. A reorganization of plans called for the establishment of Provincial committees in place of the Water Development Committee and for the transfer of all engineering work on smaller projects directly to the Provinces, but financed under the Dominion Act and supervised by the Dominion De-

partment of Agriculture. At a meeting of the Western Stock Growers Association in Calgary on May 28, Mr. Gardiner declared that a national agricultural marketing policy was needed in Canada. He suggested that separate boards might be set up to market wheat, cheese, mutton, beef, wool and other products. Cancellation of much of the debt of residents in dried-out areas of Saskatchewan was forecast by the Minister in an address at Regina on Sept. 16, 1936. Before the Edmonton Chamber of Commerce on Sept. 25 he spoke in favour of a resettlement scheme for drought areas in the southern Prairies in preference to a trek of farmers northward. He said that it was the intention of the Government to move farmers off poor land to more favourable districts in the vicinity. Addressing the Regina Young Liberal Club on Oct. 1, Mr. Gardiner declared that unless the Wheat Pool could be made to meet the difficulties of a falling price, as well as function during the easier course of rising prices, it would not meet the marketing difficulties in Western Canada. He told a delegation of the Canadian Chamber of Agriculture that a new marketing Act might be required to support the marketing organization which was to be launched by the Department of Agriculture. He hoped that the decision of the Privy Council on the Natural Products Marketing Act, when rendered, would make unnecessary submission of a new reference to the Supreme Court. He reminded the delegation that he had already announced the intention to set up an active marketing organization in the Department, although such organization might require to be supported by a marketing Act.

The Reports of the Department summarized the crop situation during the two-year period. Losses to Canadian field and garden crops from grasshoppers, again, had been considerable in 1936 after a greatly reduced outbreak in 1935. In Alberta important resulting losses were recorded. Control activities in this Province as well as in Saskatchewan, British Columbia, Prince Edward Island, the Ottawa Valley and Manitoulin Island in Ontario were put into operation during 1936. The European corn borer increased in intensity in Ontario during 1935 and 1936; and the bronze cut-worm caused considerable damage in New Brunswick. The quarantine laboratory at Belleville, Ont., in the course of construction during 1935 was completed and opened in June, 1936. At the same time a conference on biological methods of controlling insect pests was held. The new building was an important addition to the facilities of the Department of Agriculture in the work of the Entomological Branch in these studies on biological control of insects.

Dominion Experimental Farms, 1935—1936

The Branch of the Department of Agriculture continued its intensive and expansive activities during the fiscal years ended Mar. 31, 1935 and 1936. Numerous publications were issued during the two years showing the progressive work of the Farms Branches and Stations. The experimental and research work of the Divisions of the Central Experimental Farm aided in planning and directing work on the branch farms. Work accomplished during the two fiscal years, 1934-35 and 1935-36, included tests in the breeding and feeding of live stock; concentration on problems of dairying; preservation of food products; completion of a five-year study of soil micro-biology; analyses of well waters, milk and its products and other farm specimens; experiments and tests in the Bee, Botany, Plants and Cereal Divisions; the re-organization and extension of laboratories; fruit breeding work in the Division of Horticulture; expansion of

cold storage studies; and exertion towards the origination of varieties of vegetables better adapted to the different parts of Canada.

During the two fiscal years, 1934-35 and 1935-36, several of the Divisions reported on particularly interesting work. Of great interest, and "one full of possibilities" according to the Report of the Central Farms Branch, was a project begun in the Division of Forage Plants in the Spring of 1935. It was an attempt to hybridize different kinds of wheat with different specimens of Agropyron, a perennial grass, closely related to the Couch grass of Eastern Canada and the Slender Wheat grass of Western Canada. Over 2,000 hybrid seeds were obtained from these crosses. Of the 53 different combinations of wheats and grasses which were made, some were fruitless, while with others as high as 38 per cent. of the crosses produced viable seed. It was believed that wide crosses of this kind might easily produce new types of forage plants highly adapted to conditions in Western Canada. The plant breeding phases of the work were being conducted at the Central Experimental Farm, Ottawa, and at the Dominion Forage Crops Laboratory, Saskatoon, Sask., while the fundamental causes of the sterility usually found in these hybrids was being investigated in the Biology Division of the National Research Council.

The Cereal Division reported for 1936, after scarcely more than ten years' work, that a large number of exceedingly promising types of new rust-resisting wheat and oats had been created and were being tested; that three of these in the case of wheat and two in the case of oats were being increased on a commercial scale with the expectation of making distribution to farmers in the Spring of 1937. Some of these new forms were also resistant to smut; others had the added value of early maturity; and one, at least, was expected to take the place of Garnet. In their efforts to maintain a high standard in the quality of Canadian crops, the officials of the Cereal Division had the co-operation, it was stated in their 1936 Report, of the National Barley Committee and the "Crop Testing Plan" Committee, both set up by the National Advisory Committee on Agricultural Services. During 1935 the wheat of 14,000 farmers was checked up for purity and suitability for the districts concerned.

The Division of Chemistry conducted in 1934-35 an investigation into the length of time dressed poultry could be kept at chill temperature without deterioration; it was found that such could be held at temperatures of 30 to 32° F. for about four weeks, and that rapid pre-cooling to 30° F. was beneficial. The Fibre Division rendered valuable service to Canadian flax growers, who were finding a market in the North of Ireland for special pedigree fibre flax seed. During the 1935 season a potato grower at Salmonhurst, N.B., sowed an experimental block of one and a half acres of imported Stormont Cirrus flax seed, and the yields of both seed and straw were excellent. The Field Husbandry Division stated in 1936 that after a few years of crop sequence experiments at Ottawa it had been found that the Summer-fallow treatment preceding various field crops had not been particularly beneficial, indicating that this practice in Eastern Canada was not one that could be recommended generally for Spring seeded crops. In the same experiments it was found that crops following red clover were not greatly benefited by the legume crop. This Division also was conducting experiments with a view to the eradication of weeds most troublesome to field crops. Particular attention was being given to soil moisture conservation and soil drifting control in the Prairie Provinces, two outstanding problems. The Division, after experimenting,

recommended Summer-fallow every two years with weeds kept completely checked, for conserving moisture. Strip farming, ploughless Summer-fallow with trash cover, cover crops and improved cultural methods were found to be a check on soil drifting.

Farm Rehabilitation in 1935 and 1936

This Act, passed by the Dominion Parliament during the 1935 Session, provided for the amelioration of agricultural conditions in those parts of Manitoba, Saskatchewan, and Alberta which had suffered from drought and soil drifting. The Act was under the administration of the Dominion Minister of Agriculture, who was assisted by an Advisory Committee, representative of farming, ranching, financial, and railway interests in the affected areas, as well as officials of Governments of the Dominion and of the Provinces concerned. The function of the Advisory Committee was to suggest measures to the Minister for the rehabilitation of drought and soil drifting areas. Detailed organization and supervision of work under the Act was largely performed by the Dominion Experimental Farms. In accordance with the Act an extensive programme of research, demonstration, and co-operative community action was initiated in the afflicted areas in 1935 and was followed by further progressive action in 1936. Measures introduced included suitable cropping methods for soil moisture conservation, strip farming, cover crops and improved cultural methods to prevent soil drifting, and reclamation by regrassing for pasture. Farm home shelter belts were promoted and experiments were made with field shelter belts. A large amount of surface water development was undertaken with a view to stabilizing live stock production.

Regrassing projects were started at 14 different points in 1935 and at 30 different points in 1936. These projects included 6 regrassing stations consisting of from 160 to 600 acres on range land in South-eastern Alberta, two large regrassing reclamation projects in South-eastern Saskatchewan and 36 smaller demonstrations throughout the drought area. Thousands of pounds of grass and legume seed, including 73,136 pounds of crested wheat grass, was purchased for the rehabilitation schemes. During 1935 and 1936 agricultural improvement associations were formed; and nearly 2,000 irrigation projects were constructed; approximately half a million trees were supplied and plans for an additional 2,000,000 more for 1937 were made; and some fundamental research work was in progress. During 1936 the new Soils Research Laboratory at Swift Current, Sask., was equipped and staffed for the solution of drought problems. Co-operative research in soil conditions also was inaugurated at each of the Provincial Universities during the same year. District experiment sub-stations, comprising usually 640 acres of land, were established at suitable points throughout the drought and soil drifting area. During 1935 a total of 39 sub-stations was established: 3 in South-western Manitoba, 27 in Saskatchewan, and 9 in Southern Alberta; and in 1936, the total was brought to 46 by the addition of 7 new sub-stations. Reclamation stations were set up in 1935 at Melita, Man., and Mortlach, Sask.; and, in 1936, at Cadillac, Sask., where very severe drifting had been experienced. A Regional Committee on Soil Drifting was appointed under the National Advisory Committee on Agricultural Services and the Prairie Farm Rehabilitation Act, with Dr. E. S. Hopkins, of the Central Experimental Farm, Ottawa, as Chairman. The Committee made a tour through Southern Alberta, on June 28, 1935, to observe strip farming and other control measures against soil drifting. The tour was followed by a conference at Lethbridge, when papers were presented and embodied in the Committee's Report.

Board of Grain Commissioners for Canada, 1934—36

The Commissioners (E. B. Ramsay, Chief Commissioner; D. A. MacGibbon and C. M. Hamilton) in their Annual Reports for 1934, 1935 and 1936 (fiscal years ended Mar. 31) covered the operations of Section 23 of The Canada Grain Act, 1930. The expense of maintaining the organization showed a reduction in both 1934 and 1935; but the total expense of $1,848,251 for the fiscal year 1935-36 was an increase of $169,014 over 1934-35 and $89,069 over 1933-34. The Annual Report of the Board for 1934 stated that the operation of the Canadian Government elevators under marketing conditions of that year had been difficult; and that the various loan arrangements of the previous year had remained in force. From an operating standpoint the deficit of these elevators was reduced in 1934 to $24,738 as compared to $101,585 for 1933; and to the nominal sum of $2,506 in 1935. The Moose Jaw and Saskatoon elevators having been practically idle in 1935, largely through the failure of crops in their territory, were closed indefinitely in 1936. The Calgary, Edmonton and Lethbridge elevators did a fair business in 1935 and showed an improvement in 1936. During 1935 and 1936 the Port Arthur elevator was under lease to the McCabe Bros. Grain Co. Limited and the Prince Rupert elevator was rented to the Alberta Wheat Pool.

In dealing with the operation of the Lake steamboats in the carriage of grain, under the Inland Water Freight Act, it became apparent to the Board during the Spring of 1934 that the rates quoted to St. Lawrence ports were discriminating against the Port of Quebec to the extent of 1-2 cent a bushel. An investigation was carried out, followed by the issuing of Order No. 2, which, in effect, created a zone for grain export freight rates for these ports, *i.e.,* the ports of Montreal, Quebec and Sorel, in so far as through rates from Fort William were concerned.

As a result of complaints in Northern Alberta and in the Peace River block regarding the grading of grain by country elevators since the new crop movement, the Board made a tour of the territory affected and held meetings at six different centres during 1934. At several Northern Alberta points, notably Mundare, protests took the form of a "grain strike," which was more or less effective in stopping deliveries of grain to the country elevators for a period. The Board selected Mundare, where the strike was most intense, to carry out a detailed investigation of the situation. The Board's report stated that it was not disclosed, however, that the local farmers' claims were justified, the statutory requirements of The Canada Grain Act having been observed by the handlers of grain. All the complaints were said to have come from districts where early Autumn frosts had caused damage to the grain and farmers were dissatisfied with the grade.

Although the long controversy with regard to the proper grading of Garnet wheat was terminated by a 1935 Amendment to The Canada Grain Act 1930, which became effective on Aug. 1, 1935, and which provided for the grading of mixtures of Garnet wheat, many difficulties were encountered in the changing of the grade. A sum of $75,000 was voted to finance experimental shipments of pure Garnet wheat in order to obtain definite information upon which to base spreads in comparison with the regular grades. Arrangements were made in 1935 with Messrs. Joseph Rank & Sons, Limited, and the English Co-operative Wholesale Society, to take 16,000 bushels each of No. 2 Garnet, half from the Atlantic seaboard and half from the Pacific and this was to be shipped at a cost to the Board of $29,688, the major part of which, later, was recovered. The Chemist

in charge of the Board's Research Laboratory summarized the Reports of the consignees as follows: "Our tests indicate that No. 2 C. W. Average Garnet *ex* Vancouver is approximately equal in baking strength and blending value to Vancouver Average No. 5, while Winnipeg Average Garnet of the same grade is only equal to Grade No. 6 in these respects. On the other hand, Rank Limited, who examined the Vancouver trial shipment, considered it to be equal to 'No. 4 Manitobas', while the Belgian mill, testing the Montreal shipment, considered that it compared favourably with 'No. 5 Manitobas'. In other words, these firms considered it to be superior by one grade as compared with the Laboratory's placing. It must be borne in mind, however, that the Laboratory did not have an opportunity of testing the precise wheat sent to the above firms and that the protein level of the Vancouver trial shipment was approximately one per cent. higher than the average sample obtained for our test. In view of this, the agreement in general conclusions between the overseas millers and ourselves may be considered quite satisfactory; if anything, the Garnet grade has been somewhat more favourably received abroad than our own studies would indicate."

The Wheat Bonus payments during the years 1934-36 were as follows: in 1934, $349.80 on the 1930 wheat bonus; in 1935, $236.50 on the 1931 wheat bonus; and in 1936, $86.85 on the 1931 bonus. Outstanding certificates at the end of 1936 totalled $8,532.

Other activities of the Board of Grain Commissioners for the years 1934-36 were the meetings of the Western and Eastern Committees on Grain Standards held at Winnipeg, Toronto and Montreal during each of the three years 1934-36.

The Annual Reports of the Dominion Grain Research Laboratory for 1934, 1935 and 1936 stated that the routine work of each year was similar to those of previous years. Each of the three years, however, under review witnessed special activities. In the 1934 Report the durum milling and macaroni-making Department, conducting its investigations under the auspices of the National Research Council was mentioned for the first time. A survey of the protein content of barley grown in the Prairie Provinces was undertaken by the Laboratory; a study of a large collection of feed barleys originating in various countries was made—chemical analyses of these barleys were in progress. The Laboratory also carried out a survey of the oil content and drying qualities of flaxseed, as measured by iodine value, on samples of the 1934 Western Canada flax crop.

In its Report for 1935 the Laboratory stated that for the first time since meetings of the Western Committee on Grain Standards had been held, a report covering durum milling and macaroni-making tests on samples of Winnipeg Averages and Tentative Standards of the various durum wheat grades had been presented and samples of macaroni exhibited. Progress Reports were made on the hard Spring wheat, amber durum wheat and barley protein surveys. In 1935 also, reports were made on the results of proximatic feeding stuff analyses of various grades of wheat, barley and oats. Increased interest was displayed abroad in the quality of the 1935-36 wheat crop. The Laboratory declared in its 1936 Report that the Canadian hard red Spring wheat crop of 1936 was of the highest protein content and baking strength of any crop recorded by the Laboratory.

At the meeting of the National Barley Committee, held in Toronto in March 1936, the chemist-in-charge presented a Report covering the

Laboratory's barley investigations. Mr. F. H. Lehberg, who carried out the oil-seed investigations of the Laboratory, attended the Second Conference of the Farm Chemurgic Council, held in Detroit in May. The Laboratory was represented at the Annual Meeting of the American Association of Cereal Chemists, held at Dallas, Texas, by Mr. D. S. Binnington, who presented five technological and scientific papers on various phases of the Laboratory's activities.

The Canadian Seed Growers' Association held its 1935 Annual Meeting at the University of Alberta, Edmonton, June 20-22. In a discussion on the Report of the Board of Directors, the methods used in distributing new varieties to the public were dealt with. It was generally felt that these new stocks should be protected from serious contamination in the early stages of distribution so that the variety might sooner establish its true worth. A Resolution was adopted recommending that all new varieties should be distributed to trained seed growers and multiplied under the rules of the Association. The question of germination standards for registered seed grades was discussed and a plan was outlined to parallel the germination standards of registered and commercial grades, which actually meant the general raising of commercial grades and the lowering of the existing standards for registered seed.

Sessions of the Annual Meeting of the Association for 1936 were held both in New Brunswick and in Nova Scotia. A Resolution was adopted urging the Dominion Seed Branch, in its revision of the Seeds Act, to provide for the sealing of all registered swede seed in packages not larger than two pounds. It was also resolved that all growers of elite stocks should be urged to give serious consideration to the treatment of all seeds of elite plants before offering them for distribution. A Resolution was passed suggesting to the Minister of Agriculture the need for attaching a suitably trained plant pathologist to the Dominion Seed Branch. The officers elected for the ensuing year were: President, F. W. Townley-Smith, Lashburn, Sask.; Vice-President, F. L. Dickenson, United Grain Growers Ltd., Winnipeg; and Secretary-Treasurer, W. T. G. Wiener, Ottawa.

The Canadian Farm Loan Board, 1935—1936

By an Amendment in 1935 to The Canadian Farm Loan Act (assented to Apr. 17, 1935) the Canadian Farm Loan Board was authorized to initiate loaning operations in all Provinces without the authority of Provincial enabling legislation. (See elsewhere in this Volume for legislation). All Provincial boards appointed under the original Act in those Provinces in which the Board was then lending went out of existence on Apr. 17, 1935. The Farm Loan Board was reorganized on May 15, 1935, as follows: John Barnett, Chairman and Farm Loan Commissioner; J. D. MacLean (former Chairman) Associate Commissioner; Charles Duquette, Montreal; and B. J. Roberts, Comptroller, Government Guarantee Branch, Department of Finance. Mr. Barnett resigned later in the year and was succeeded by J. D. MacLean as Farm Loan Commissioner and Chairman of the Board. Robert McKenzie, of Stoughton, Sask., was appointed to the Board in December, 1935.

The volume of applications for loans received under the new Act was much larger than that in any previous year of the Board's existence, according to the Report of the Board for the year ended Mar. 31, 1936. This was due to the Amendments to the Act which provided for supplementary short-term advances secured by second mortgages and mortgages

on personal property, to the reduction of the Board's current lending rate on first mortgages to 5 per cent. *per annum,* to the extension of the Board's operations to Ontario, Saskatchewan and Prince Edward Island, and also to the increased publicity given to the Board's operations following the Amendments to the Act.

Applications for loans received during the fiscal year ended Mar. 31, 1936, totalled 21,698, amounting to $50,152,821, as compared with 2,456 applications, amounting to $5,496,816 for the previous year. A large percentage of the applications for 1935-36 did not come within the terms of the Act. Total loans granted during 1935-6 amounted to $10,958,405, and new loans disbursed totalled $7,423,778, as compared with $925,500 and $547,207, respectively, in 1934-5. Collections on principal for 1935-36 were $239,131, and in interest, $388,258—a total of $627,389. Relative figures for 1934-35 were: $204,457 on principal and $513,351 in interest—a total of $717,808.

Sale or foreclosure proceedings during 1935-6 involved (1934-35 figures in brackets) 39 loans (36), and the Board acquired by sale a total of 41 farms (63), disposed of 29 farms (41), and at the close of the year held 94 properties (82) for sale.

Interest paid on bonds and capital advances amounted to $441,586 (1934-5: $401,585), and the total cost of administration was $348,582 ($138,731). The Board showed a loss on operations for the year 1935-36 of $126,138, as compared with a profit of $59,392 for the previous year. Of the total loss sustained, $119,329 was on operations under Part I of the Act and $6,808 under Part II. Reserves at the close of the year totalled $526,063, as compared with $713,308 for 1934-35.

Operation of The Farmers' Creditors Arrangement Act

This Act, passed on July 3 (See *The Canadian Annual Review 1934,* pp. 80-1), was proclaimed the same year in the several Provinces: in Manitoba, Saskatchewan and Alberta, on Sept. 1; in Ontario and Quebec, on Oct. 1; and in Prince Edward Island, Nova Scotia, New Brunswick and British Columbia, on Nov. 1. Two Amendments to the Act were passed during the 1935 Session of Parliament. The first, assented to Apr. 17, pertained to restriction as to release, stay of proceedings, provision for *ad hoc* commissioners, and had to do with assignments by insolvent farmers in Quebec. The second Amendment, assented to July 5, terminated operation of the Act in British Columbia upon proclamation, exccpt in the case of a proposal approved by the court or confirmed by the Board of Review "before the passing of this Act, and with relation to any such proposal, the said The Farmers' Creditors Arrangement Act, 1934, shall be deemed to continue in force as if this Act had not been enacted." (This second Amendment—Section 20—had not been proclaimed at the end of September, 1938). The Act, administered under the direction of the Minister of Finance, was designed with a view to effecting compromises or rcarrangements of the debts of farmers who were unable to pay with the object of enabling efficient producers to retain possession and continue in the operation of their farms.

The organization comprised 200 Official Receivers throughout the Dominion, a Board of Review in each Province, to which was attached a Registrar and necessary clerical staff and a Head Office staff at Ottawa. The entire organization was supervised by a Director. Mr. M. A. McPherson was the first to fill this office; upon his resignation on Oct. 31, 1935, Mr. H. F. Gordon succeeded him. From the inception of the Act

to Mar. 31, 1936 (18 months), a total of 11,011 settlements, involving $51,127,476 of debt, were effected. Reductions actually made totalled $15,-341,430 with an annual interest saving of $1,228,718. The Report stated that 19,091 farmers submitted proposals and that the average annual interest saving to individual debtors was $151.28. For this same period of 18 months the cost of administration was $982,266.15. The following table is a statistical review of 13,365 cases disposed of by Official Receivers and Boards of Review from the inception of the Act to Dec. 1, 1936 (approximately 27 months):

Province	Number of Cases	Total Original Debt	Total Reduction	Annual Interest Reduction
		$	$	$
Prince Edward Island	508	1,391,977.90	311,709.09	23,667.77
Nova Scotia	43	291,823 62	71,212.40	4,888.19
New Brunswick	406	703,317.55	185,430.63	14,423.15
Quebec	2,534	10,399,473.36	1,734,295.22	265,683.22
Ontario	4,485	21,515,227.43	5,343,450.98	429,403.61
Manitoba	1,483	10,317,049.24	4,376,688.99	340,910.39
Saskatchewan	2,201	21,630,052 27	6,964,744.42	428,452.38
Alberta	1,458	13,045,995.08	4,681,658.13	462,228.87
British Columbia	247	1,664,288.80	572,761.94	48,595.58
Total for Dominion	13,365	80,959,205.25	24,241,951.80	2,018,253.16

The Act was referred by the Dominion Government, as to its constitutionality, to the Supreme Court of Canada which declared it, on June 17, 1936, to be valid. Subsequently, (1936) an appeal by the Attorney-General of British Columbia was made to the Privy Council which upheld the judgment of the Supreme Court and dismissed the appeal (See Legislation, 1936, "Federal Administration and Politics").

Operation of The Natural Products Marketing Act

This Act, passed during the 1934 Session of Parliament (See *The C.A.R.* 1934, pp. 74-78) provided a mechanism for the marketing of natural products so that a primary producer would not be subjected to the vagaries of unregulated marketing. The Dominion Marketing Board was set up in August of the same year to operate the Act. Dr. George S. H. Barton, Deputy Minister of Agriculture was appointed Chairman and remained in that position until early in 1935 when Mr. A. Leitch, formerly Professor of Economics at the Ontario Agricultural College succeeded him. In December, Dr. J. F. Booth became Acting Chairman, upon the resignation of Mr. Leitch. A minor Amendment to the Act was passed during the 1935 Session of Parliament.

In addition to the Dominion Marketing Board ten Marketing Boards were set up in the various Provinces: British Columbia, 6; Ontario, 2; British Columbia, Ontario and Nova Scotia, 1; Prince Edward Island, New Brunswick and Nova Scotia, 1. No Boards function in Alberta, Saskatchewan and Manitoba. Natural Products dealt with by the various Boards were: fruit export marketing scheme, Sept. 8, 1934, for the entire Dominion; British Columbia red cedar shingle export scheme, Oct. 16, 1934; British Columbia tree fruit scheme, Aug. 28, 1934; British Columbia dried salt herring and dried salt salmon scheme, Oct. 22, 1934; Ontario flue-cured tobacco scheme, Oct. 26, 1934; British Columbia lower mainland milk marketing scheme, Jan. 1, 1935; Eastern Canada potato marketing scheme, Jan. 18, 1935; Western Ontario bean marketing scheme, Feb. 1, 1935; British Columbia interior vegetable marketing scheme, Mar. 4, 1935; British Columbia coast vegetable marketing scheme, Mar. 4, 1935; and Dominion of Canada jam marketing scheme, Apr. 10, 1935.

The first public reaction to the inauguration of the Dominion Marketing Board appeared to be generally favourable but, when it began to operate, it was subjected to criticism from producers, distributors and consumers. The Eastern Canada Potato Marketing Board, with headquarters in Ottawa, was composed of nine members, two to be elected by the registered growers of each of the four Provinces—Ontario, New Brunswick, Nova Scotia and Prince Edward Island—with the Secretary of the Canadian Horticultural Council as chairman. At a meeting of The Potato Marketing Board in Montreal, Feb. 18, satisfaction with the operation of The Board was voiced by Montreal potato dealers, who promised to co-operate to the fullest extent. Two months later, however, from Carlton and Victoria counties in New Brunswick came protests from potato growers and shippers who demanded the removal of pegged prices. It was contended that the pegging of the price had resulted in New Brunswick dealers being unable to sell potatoes at any price. On Apr. 30 the Potato Marketing Board removed the pegged price leaving New Brunswick shippers free to sell potatoes in any part of Canada at any price they sought.

Strong opposition to The Marketing Board was expressed by the Apple Growers' Association at a meeting in Hamilton, Ont., Feb. 14, 1935. Early in March a vote was taken of the poultry and egg industry in the three Prairie Provinces on a proposed scheme of regulation and marketing under the Act. In all three Provinces the scheme was rejected. In commenting upon this, the Hon. Robert Weir, Minister of Agriculture, stated: "The vote was not on The Marketing Act; it was for and against the particular scheme submitted by the producers themselves. I understand those opposing the scheme are preparing to submit another scheme, which indicates it was not the principle of regulated marketing they objected to." A vote of two-thirds was necessary to ensure adoption of the scheme. On Mar. 13, Mr. Weir announced that in future he would not favour any marketing schemes involving the pooling of products. He had decided that The Marketing Act would be confined to the regulation of the sale of products.

The Act of 1934, with its Amendments of 1935, was submitted by the Dominion Government on Nov. 5, 1935, to the Supreme Court of Canada which declared on June 17, 1936, that the Act was invalid. Subsequently, (1936) an Appeal was made by the Attorney-General of British Columbia to the Privy Council which upheld (Jan. 28, 1937) the judgment of the Supreme Court. (On Dec. 31, 1937, the Board ceased to operate. Orders-in-Council, setting up all marketing schemes and appointing the Dominion Marketing Board, were rescinded by the Governor-in-Council).

The Canadian Wheat Board, 1935 and 1936

In January, 1935, Mr. John I. McFarland entered his fifth year as General Manager of the Central Selling Agency of the three Prairie Wheat Pools (The Canadian Co-operative Wheat Producers Limited). Shortly after his appointment on Nov. 30, 1930, which was approved by the Canadian Bankers' Association and by the Governments of the three Prairie Provinces, Mr. McFarland had issued a statement to the effect that all overseas Pool offices were to be closed and that sales in future would be made through the Winnipeg Grain Exchange.

Early in 1931, acting on behalf of the Dominion Government (Bennett), Mr. McFarland had commenced to use the facilities of the Central Selling Agency for the operation of the price stabilization measures

authorized by Order-in-Council. This operation was financed by the banks under Dominion Government guarantee and was continued by Mr. McFarland until late in 1935. The action of the Government in their effort to prevent the demoralization of Canadian markets by stabilizing grain values was in behalf of all producers at a time of large world supplies, a scarcity of buyers and low prices. The plan was to protect the farmers' price by holding unusually large quantities of grain out of the cash markets for long periods and to add to the Central Selling Agency's cash wheat by the buying of "futures".

At the end of the crop year 1931 the three Western Pool organizations had separated from the Central Selling Agency. After that date they functioned largely as grain-handling companies rather than grain-marketing companies. The Central Selling Agency, at the date of Mr. McFarland's assumption of office (November, 1930) had in hand 36,935,000 bushels of Pool wheat exclusive of the wheat of the crop year still to come in under Pool contract. At the end of the crop year (July 31, 1931) there was in hand a carry-over of 75,164,000 bushels—of this amount, "futures" accounted for 47,555,000 bushels and cash wheat, 27,609,000 bushels. The Central Selling Agency had, in December, 1935 (when Mr. McFarland's activities ceased), 205,187,000 bushels, of which 53,728,000 bushels were cash wheat and 151,459,000 bushels, "futures".

During the Parliamentary Session of 1935 a House of Commons Committee inquired into the wheat situation previous to the passing of The Canadian Wheat Board Act 1935 (See Section: Federal Administration and Politics) which authorized the establishment of the Canadian Wheat Board. This body was set up on Aug. 14, 1935. The Act was made applicable to barley, oats, rye or flax as well as wheat, produced in the Provinces of Manitoba, Alberta, Saskatchewan and British Columbia, if the Board recommended that such approval be given. Financially supported by the Government the duties of the Board were as follows:

(1) To sell and dispose of, from time to time, all wheat which the Board might acquire, for such price as it might consider reasonable, with the object of promoting the sale and use of Canadian wheat in world markets.

(2) To sell and dispose of stocks of wheat and contracts for the delivery of wheat acquired from the Canadian Co-operative Wheat Producers Limited and the wheat represented by such contracts as might be reasonably possible, having regard to economic and other conditions.

(3) To utilize and employ, without discrimination in selling and disposing of wheat as by this Act provided, such marketing agencies, including commission merchants, brokers, elevator men, exporters and other persons engaged in or operating facilities for the selling and handling of wheat, as the Board in its discretion might determine.

(4) To offer, continuously, wheat for sale in the markets of the world through the established channels: provided that the Board might, if, in its opinion any existing agencies were not operating satisfactorily, take such steps as it deemed expedient to establish, utilize and employ its own or other marketing agencies or channels.

The Act provided that the Board's headquarters should be at Winnipeg, Manitoba. Mr. McFarland was appointed Chief Commissioner of the Board and Mr. D. L. Smith and Prof. H. C. Grant, the other two Commissioners. An Advisory Committee of seven was appointed on the same date (Aug. 14). Mr. McFarland continued to act also as Manager

of the Central Selling Agency to Dec. 2, 1935, the date of the reorganization of the Canadian Wheat Board.

A fixed price to the producer of 87½ cents for No. 1 Northern Wheat in store Fort William or Vancouver, was announced Sept. 6 and on Sept. 22 prices for other grades of wheat were announced. The Board commenced to take delivery from producers on Sept. 25.

The Act authorized the Board (Section 7) to acquire from the Canadian Co-operative Wheat Producers Limited, upon terms to be approved by the Governor-in-Council, all wheat or contracts to purchase or take delivery of wheat in respect of which the Government of Canada had given a guarantee. It provided "that no wheat shall be purchased by the Board except from the producers thereof".

The transfer of the stabilization and old Pool wheat to the Canadian Wheat Board in accordance with the Act was provided for by an agreement between the Canadian Co-operative Wheat Producers Limited and the Board on Oct. 8, 1935—later ratified by Order-in-Council P.C. 3199, dated Oct. 10, 1935.

Shortly after the coming into power of the Liberal Government, the Prime Minister (Mr. King) announced on Oct. 30, 1935, that future activities of the Canadian Wheat Board would be under the direct jurisdiction of a Committee of the Dominion Government with the Minister of Trade and Commerce, the Hon. W. D. Euler, as Chairman. In making this announcement Mr. King stated it had been decided that the responsibility of the Governor-in-Council under The Wheat Board Act should be in the hands of a Committee of the Council made up of Ministers of Departments closely allied with the industry. The provisions of the Statute would be surveyed by this Committee and decisions in this respect would be reached by the Governor-in-Council with the Committee's advice. (Canadian Press dispatch, Oct. 30, 1935).

On Dec. 3, 1935, the Canadian Wheat Board was reorganized. Mr. James R. Murray, General Manager of the Alberta Pacific Grain Company, Winnipeg, was appointed Chief Commissioner; Mr. George McIvor, former Sales Manager of the Wheat Board, and Mr. A. M. Shaw, Dean of the Agricultural College of the University of Saskatchewan, were the other two members of the Board. (Mr. Murray resigned in July, 1937, when Mr. McIvor succeeded him. Mr. R. C. Findlay was appointed Assistant Chief Commissioner).

When announcing the new Board, the Hon. W. D. Euler spoke briefly with regard to Government marketing policy. "The concentration of surplus stocks of whcat in Canada during the past few years has created an abnormal situation in the world wheat trade. Last June (1935) this situation was recognized by Parliament as not being in the interests of Canada or her wheat producers, and the Dominion Government desires to have our surplus restored to a normal basis. To accomplish this the Wheat Board will seek the goodwill and co-operation of the grain and milling trades in all importing countries. It is not necessary to have, and there will not be, any 'fire sale' of Canadian wheat, but it will be for sale at competitive values, and will not be held at exorbitant premiums over other wheats." It was also stated by Mr. Euler that the Order-in-Council appointing an advisory body to the Canadian Wheat Board had been rescinded; that the duties of that group would be discharged by a Sub-Committee of the Cabinet, as had been previously announced by the Prime Minister (Mr. King) on Oct. 30. The members of the Sub-Com-

mittee, in addition to Mr. Euler, were as follows: the Hon. Charles A. Dunning, Minister of Finance, the Hon. J. G. Gardiner, Minister of Agriculture, and the Hon. T. A. Crerar, Minister of Mines and Minister of the Interior.

On Dec. 5, Mr. McFarland issued a statement to the Press. He reviewed the wheat situation at the date of his acceptance of the position of Managing Director of the Central Selling Agency. He stated that it was a time of national emergency, the direct cause of which was "a world wide over-production of wheat . . . and unwanted excess world surplus which had accumulated prior to 1930." Continuing, he said: "In the interval, but not because of any national or international measures of a corrective nature, but rather on account of three successive short crops on the North American continent, together with two successive short crops in Australia, and this year (1935) a short crop in Argentina, the world excess surplus has now been reduced to normal or even less than normal. The unprecedented crop losses in those countries resulting from drought, grasshoppers, black rust and other causes, has removed the unwanted excess supply, although it may be only a temporary correction. The vicious attacks by critics from time to time demanding 'fire' sales, dumping policies, and other quack remedies, have added to our difficulty. Despite such critics, our farmers have received an average of almost 80 cents per bushel for No. 1 wheat delivered Fort William, for every bushel produced in the last three years. . . . I feel quite certain the people of this country are well aware that I am not at this time voluntarily deserting the ship, when we are so near the conclusion of a successful voyage. Looking backward over the past five years, I hope I may be excused, if I express my one and only regret, namely, that events over which I had no control now prevent me from completing this year's operations as Chairman of the Wheat Board." (*Winnipeg Free Press,* Dec. 6, 1935).

In December an agent was sent by the Wheat Board to the United Kingdom and the Continent to study trade conditions. An effort to interest the Millers' Mutual Association in Britain in a joint advertising scheme to promote the use of Canadian wheat, failed. In the Spring of 1936, Mr. McIvor also made a survey of trade conditions in the United Kingdom and European countries: upon his return R. V. Biddulph was appointed representative of the Board, with headquarters in London, England.

The first Report of the Canadian Wheat Board for the crop year 1935-36 (ended July 31) issued by Mr. Murray, the Chief Commissioner, under date of Dec. 28, 1936, stated that "in addition to the handling of such part of the 1935 wheat crop as producers might deliver to them, the Board had to acquire in accordance with the Act, from the Canadian Co-operative Wheat Producers Limited, all wheat and wheat contracts in respect of which the Government of Canada had given a guarantee. This transfer had not been completed until December, 1935, when the new Board took over 205,186,980 bushels of wheat and wheat contracts which had been accumulated during the period 1930-1935. This, together with the 90,189,187 bushels of 1935 crop on hand at Nov. 30, 1935, and the 47,973,371 bushels delivered by producers to the Board between Dec. 1, 1935 and July 31, 1936, made a total of 343,349,538 bushels of wheat and wheat contracts which it became necessary to reduce to more manageable proportions during the seven months before the new 1936 crops in North America and Europe came on the market. The necessary division of sales was made at the end of each month, and each account credited

with its proportion. Referring to criticism levelled at the Board's selling policy since December, 1935, the Commissioner pointed out that the position of Canada would have been a difficult one if the United States had harvested anything like a normal crop on their large acreage of Winter wheat planted in the Autumn of 1935, and if the promise of June (1936) conditions in Western Canada had been fulfilled. He stated that during the 1935-36 crop year importing countries took the smallest amount of wheat on record since the War, world shipments of wheat and flour being only 514,000,000 bushels.

At the end of the crop year July 31, 1936, the Board had on hand 84,698,652 bushels of wheat: of this amount, 82,667,891 bushels were old wheat and 2,030,761 bushels, wheat of the 1935 crop. Saskatchewan farmers delivered 77,481,000 bushels to the Board: Alberta farmers, 61,-267,000 bushels; and Manitoba farmers, about 12,000,000 bushels. The price fixed for No. 1 Northern wheat and No. 1 Amber Durum wheat had been 87½ cents a bushel Fort William or Vancouver basis. The Board accounts showed a gross sale price of 84.1 cents a bushel and an average net price of 80.3 cents a bushel for No. 1 Northern. The gross sale price of No. 1 Amber Durum was 79.3 cents and the average net price, 75.6 cents a bushel. As the prices realized by the Board were less than the fixed price which in the first instance had been paid to producers, there was no distribution to be made on the certificates issued to producers at the time they made delivery to the Board.

The Report showed that December, 1935, was the new Board's biggest month in the sale of 1935 wheat, approximately 28,000,000 bushels having been sold in that month. In addition, about 22,000,000 bushels of old surplus wheat was sold, making total sales for December about 50,000,000 bushels. In no month did sales drop below 20,000,000 bushels. The final accounts of the Board showed a loss of $11,858,104 on the 1935 crop. A surplus of $6,688,067 was shown on the old wheat account when taken over from The Canadian Co-operative Wheat Producers Limited, as at July 31, 1936.

During the Parliamentary Session of 1936 a Special Committee of the House with Mr. Bennett as Chairman was appointed to inquire into the operations of the Canadian Wheat Board. The Report was adopted on June 17, 1936. Mr. McFarland was not called to give evidence. An outcome of the Committee's Report, adopted without dissent, was the appointment on June 27, 1936, of a Royal Commission to inquire into the production, marketing, holding, storing, transporting and exporting of Canadian grains and their products.

All Field Crops, 1935—1936

The aggregate value (revised estimate) of all field crops in Canada in 1936 was $612,300,400, as compared with $511,872,900 in 1935. The crop season of 1935 was characterized by a very backward Spring, a rapid improvement in prospects during June and, finally, an equally rapid decline in July and August as drought, rust and frost took a severe toll, according to the third estimate of Field Crops in Canada, issued by the Dominion Bureau of Statistics in January, 1936. The Season failed to live up to its mid-summer promise, and deterioration was particularly marked in wheat, potatoes and turnips, while the feed grains and fodder crops gave much better returns than in 1934. The crops season of 1936 was one of sharp regional contrasts and violent extremes of weather conditions. The Spring outlook was promising, but the Summer was one

of intense heat and drought which resulted in a serious crop failure over large areas of Western Canada. Reduced yields and lowered quality were common in Ontario, while other Eastern Provinces and most of British Columbia enjoyed favourable conditions and had a highly satisfactory season.

The following table gives the principal field crops in Canada during the years 1935 and 1936 (*Monthly Bulletin of Agricultural Statistics*, January, 1938):

Field Crops	Year	Area Acres	Yield Per Acre Bush.	Total Production Bush.	Average Price Per Bush. $	Total Value $
Fall Wheat	1935	555,100	22.7	12,601,000	0.71	8,947,000
	1936	509,300	24.5	12,478,000	1.16	14,474,000
Spring Wheat	1935	23,560,600	11.4	269,334,000	0.61	164,118,000
	1936	25,095,500	8.2	206,740,000	0.92	190,853,000
All Wheat	1935	24,115,700	11.7	281,935,000	0.61	173,065,000
	1936	25,604,800	8.6	219,218,000	0.94	205,327,000
Oats	1935	14,096,200	28.0	394,348,000	0.24	93,409,000
	1936	13,287,700	20.5	271,778,000	0.43	116,267,000
Barley	1935	3,886,800	21.6	83,975,000	0.29	24,465,000
	1936	4,437,600	16.2	71,922,000	0.69	49,512,000
Fall Rye	1935	573,700	13.6	7,795,000	0.27	2,106,000
	1936	458,500	6.6	3,042,000	0.70	2,130,000
Spring Rye	1935	145,800	12.4	1,811,000	0.29	528,000
	1936	166,800	7.4	1,239,000	0.69	850,000
All Rye	1935	719,500	13.4	9,606,000	0.27	2,634,000
	1936	625,300	6.8	4,281,000	0.70	2,980,000
Peas	1935	94,650	17.1	1,616,000	1.09	1,767,200
	1936	92,500	13.3	1,229,300	1.62	1,991,000
Beans	1935	64,510	18.0	1,161,400	1.46	1,693,400
	1936	64,000	13.7	876,000	2.04	1,790,400
Buckwheat	1935	380,100	20.9	7,948,600	0.51	4,017,000
	1936	396,700	21.7	8,596,000	0.71	6,088,000
Mixed Grains	1935	1,152,500	34.3	39,534,900	0.36	14,238,000
	1936	1,171,600	28.7	33,639,000	0.56	18,751,000
Flaxseed	1935	306,900	5.4	1,666,600	1.19	1,991,300
	1936	477,150	3.8	1,795,300	1.44	2,588,000
Corn, Husking	1935	167,700	46.3	7,765,000	0.45	3,494,000
	1936	164,400	37.0	6,083,000	0.70	4,258,000
			Cwt.	**Cwt.**	**Per Cwt.**	
Potatoes	1935	506,800	76.0	38,670,000	0.80	30,854,000
	1936	502,100	79.0	39,614,000	1.14	45,125,000
Turnips, Etc.	1935	185,200	190.0	35,110,000	0.32	11,205,000
	1936	182,500	209.0	38,208,000	0.35	13,382,000
			Tons	**Tons**	**Per Ton**	
Hay and Clover	1935	8,697,600	1.62	14,060,000	7.62	107,133,000
	1936	8,784,100	1.57	13,803,000	7.66	105,703,000
Alfalfa	1935	762,300	2.57	1,958,700	8.04	15,743,000
	1936	854,200	2.30	1,966,000	9.19	18,077,000
Fodder Corn	1935	480,700	8.48	4,078,000	3.32	13,539,000
	1936	401,600	7.79	3,128,400	3.38	10,572,000
Grain Hay	1935	1,346,700	1.43	1,927,000	5.24	10,090,000
	1936	1,045,000	0.97	1,010,000	6.41	6,473,000
Sugar Beets	1935	52,600	8.86	465,800	5.44	2,535,000
	1936	55,600	10.70	595,000	5.74	3,416,000

The Wheat Situation, 1935—36

The World's production of wheat in 1936, according to the *Monthly Review of the Wheat Situation* of January, 1938, was 3,538,000,000 bus. as compared with 3,582,000.000 bus. in 1935; and $3,543,000,000 bus. in 1934. These estimates did not include Russia and China. The total world acreage of 226,816,000 acres was slightly in excess of the 1935 estimate of 241,573,000 acres. The total wheat production for 1936 in all Europe and the four leading countries was as follows (figures for 1935 in brackets): all Europe, 1,481,486,000 bus. (1,576,512,000 bus.); Argentine, 249,192,000 bus. (141,020,000 bus.); Australia, 150,106,000 bus. (142,596,000 bus.); Canada, 219,218,000 bus. (281,935,000 bus.); and the United States, 626,766,000 bus. (626,344,000 bus).

In addition, Northern Africa, including Algeria, Morocco, Tunis and Egypt, had a yield of wheat in 1936 of 95,791,000 bus, as compared with 113,691,000 bus. in 1935. Asia, including Palestine, Syria and Lebanon, India, Japan, Chosen and Turkey, produced 561,947,000 bus. in 1936, as against 536,670,000 bus. in 1935.

The 1935-36 crop year was noted for its low import demand for wheat; its reduction in world stocks; and higher prices for the commodity. World net imports of wheat and wheat flour totalled 498,500,000 bus., as compared with 524,600,000 bus. for the crop year 1934-35, the lowest level in world wheat trade during the post-War period. The total world carry-over of wheat and wheat flour for the crop year 1935-36 was estimated at 607,000,000 bus., as compared with 907,000,000 bus. in the year 1934-35. World shipments of wheat and wheat flour (Broomhall's figures) for the crop year 1935-36 totalled 496,752,000 bus. as compared to 511,853,000 bus. for the crop year 1934-35 (July—August). From North America in 1935-36, 234,224,000 bus. were shipped (1934-35: 155,137,000 bus.); Argentina, 71,336,000 bus. (1934-35: 180,188,000); Australia, 106,256,000 bus. (1934-35: 100,344,000); Russia, 29,712,000 bus. (1934-35: 2,720,000); and other countries, 51,224,000 bus. (1934-35: 63,464,000).

During the crop years (August—July) of 1934-35 and 1935-36, the total imports of wheat into the United Kingdom from the wheat-growing countries of the world totalled 188,626,909 bus. and 190,661,780 bus., respectively. Statistics for each country were as follows: Canada, 65,435,279 and 95,004,814, respectively; United States, 744,020 and 648,003; Argentina, 60,376,544 and 11,887,471; Australia, 37,186,822 and 44,168,234; Russia, figures for 1934-35 unknown, and for 1935-36, 13,182,976; and other countries, 24,886,244 and 25,770,282.

The revised estimate (Dominion Bureau of Statistics) of Canadian wheat production in 1936 showed 219,218,000 bus. harvested from 25,604,800 acres. The 1935 wheat crop was 281,935,000 bus. from 24,115,700 acres. The final estimate of the crop in the Prairie Provinces in 1936 was 202,000,000 bus. as compared with 264,096,000 bus. in 1935. The final estimate of wheat production in the three Prairie Provinces for 1936 (with 1935 figures in brackets) was: Manitoba, 26,000,000 bus. (23,250,000); Saskatchewan, 110,000,000 bus. (142,198,000); and Alberta, 66,000,000 bus. (98,648,000).

On Aug. 1, 1936, the stocks of Canadian wheat in Canada, totalled 108,094,277 bus. and 202,147,582 bus. on the same date in 1935. Canadian wheat in elevators and afloat in the United States on Aug. 1, 1936, amounted to 19,268,321 bus., and 11,704,536 bus. on the same date in 1935. The total quantity of Canadian wheat in Canada and the United States on Aug. 1, 1936, was 127,362,598 bus. as against 213,852,118 bus. in 1935. Canada's wheat carryover at July 31, 1936, totalled 108,700,000 bus., a reduction of 94,500,000 bus. as at the end of the crop year, 1934-35. Exports of wheat and wheat flour from Canada during the year 1935-36 totalled 254,424,755 bus., including the movement of United States ports; during the previous year, exports totalled 165,751,305 bus. Canada's exports to overseas destinations in 1935-36, in addition to United States withdrawals of Canadian wheat for consumption, accounted for approximately one half of the total World shipments. The drought in North America carried wheat prices on all markets to new highs for the previous six years. Winnipeg prices rose from a low of 73⅝ cents on May 26, to 110¼ cents on Aug. 5. Canada's total exports for the two years 1935 and 1936 (year ended July 31) of wheat and wheat flour are given in the following table:

Exports of Canadian Wheat and Flour by Countries

Exports by Countries		Twelve Months Ended July 1935	1936
Wheat—			
To United States	bush.	15,076,098	29,078,723
	$	11,969,536	22,647,584
To United Kingdom and 'orders'—			
via United States	bush.	37,104,520	72,709,723
	$	29,368,858	59,324,054
via Canadian Atlantic Seaboard	bush.	24,099,882	46,643,845
	$	21,210,571	40,694,107
via Canadian Pacific Seaboard	bush.	36,818,428	41,159,638
	$	29,486,374	32,448,658
via Churchill	bush.	2,665,522	2,407,000
	$	2,436,698	2,139,140
Total to United Kingdom and 'orders'	bush.	100,688,352	162,920,206
	$	82,502,501	134,605,959
To Other Countries—			
via United States	bush.	1,613,004	733,536
	$	1,471,245	658,802
via Canadian Atlantic Seaboard	bush.	12,130,540	23,374,878
	$	10,457,608	20,674,229
via Canadian Pacific Seaboard	bush.	13,482,567	15,912,306
	$	10,616,851	11,590,001
via Churchill	bush.	1,384,349	.....
	$	1,409,943	.....
Total to Other Countries	bush.	28,610,460	40,020,720
	$	23,955,647	32,923,032
TOTAL WHEAT	bush.	144,374,910	232,019,649
	$	118,427,684	190,176,575
Wheat Flour—			
To United States	brl.	103,047	180,058
	$	314,105	576,431
To United Kingdom and 'orders'—			
via United States	brl.	2,116	1,930
	$	8,025	8,002
via Canadian Atlantic Seaboard	brl.	2,167,088	2,397,987
	$	8,082,417	9,617,863
via Canadian Pacific Seaboard	brl.	109,727	59,615
	$	427,722	260,193
via Churchill	brl.	14,643	.....
	$	49,431	.....
Total to United Kingdom and 'orders'	brl.	2,293,574	2,459,532
	$	8,567,595	9,886,058
To Other Countries—			
via United States	brl.	348,872	369,349
	$	1,453,379	1,531,970
via Canadian Atlantic Seaboard	brl.	1,101,770	1,113,125
	$	4,386,117	4,572,740
via Canadian Pacific Seaboard	brl.	903,047	856,853
	$	3,516,737	3,452,895
Total to Other Countries	brl.	2,353,689	2,339,327
	$	9,356,233	9,557,605
TOTAL WHEAT FLOUR	brl.	4,750,310	4,978,917
	$	18,237,933	20,020,094
TOTAL EXPORTS OF WHEAT AND FLOUR	bush.	165,751,305	254,424,776
	$	136,665,617	210,196,669

NOTE.—On the average, one barrel of flour equals 4½ bushels of wheat.

Barley and Oats, 1934—36

The barley crop of 1934-35 with a production of 83,975,000 bushels was followed in 1935-36 with a production of 71,922,000 bushels. The largest market for Canadian barley in the year 1934-35 was the United States; 9,296,245 bus. being shipped to that country during the crop year ended July 31, 1935. The United Kingdom took 4,898,668 bus. and other countries 861,960 bus. Comparative figures for the crop year ended July 31, 1936, were: 878,502 bus. to the United States; 6,406,373 bus. to the United

Kingdom; and 390,874 bus. to other countries. During the year 1934-35 715,932 bus. were milled for domestic consumption and in 1935-36, 1,039,568 bus.; for malting and brewing establishments 6,000,000 bus. were consumed in 1934-35 and 5,885,900 bus. in 1935-36. The average barley price per bus. of No. 3 C.W. barley was 48¼ cents in 1934-35, and 36 cents in 1935-36. At the end of the crop year 1934-35, 5,559,536 bus. were in store and at the end of 1935-36, 9,845,486 bus. The new crop of 1935-36 (year ended July 31) was estimated (final) at 71,922,000 bus. (Exports of Canadian barley during the following crop year, 1936-37, totalled 17,555,833 bus. Exports to the United States rose to 15,082,377 bus. Of the balance 2,322,318 bus. went to the United Kingdom and 151,138 bus. to other countries. The average yearly price of No. 3 C.W. barley rose to 70¾ cents).

Oats like barley, consumed chiefly on the farm as feed, had lowered production for 1935-36 as compared with the previous crop year, the total yield being 271,778,000 bus. as compared with 394,348,000 bus. for 1934-35. The distribution of oats during the crop years 1934-35 and 1935-36 totalled 345,363 bus. and 409,852 bus., respectively. In 1934-35, 261,438,000 bus. were for home consumption as grain and in 1935-36, 312,627,000 bus. The average yearly price of No. 2 C.W. oats in 1934-35 was 42⅘ cents and in 1935-36, 34½ cents.

Potato Production, 1934—36

Potato production in Canada declined from 48,095,000 cwt. in 1934 to 38,670,000 cwt. in 1935 and picked up slightly in 1936 with an output of 39,614,000 cwt. The total value for 1934 was $23,822,000; for 1935, $30,854,000; and for 1936, $45,125,000. The 1935 crop was the shortest on record since 1916. Plantings also declined in 1935 and a further decrease in acreage sown was reported in 1936. The figures for the three years were: 1934, 569,200 acres; 1935, 506,800 acres; and 1936, 502,100 acres. The average price per cwt. in 1934 was 50 cents; in 1935, 80 cents; and in 1936, $1.14, the New Brunswick producer averaging about $1.49 per barrel for Green Mountains in 1935-36 as compared with 23 cents the previous year. In 1936, unmerchantable potatoes amounted to 2,302,000 cwt. against 2,176,000 cwt. in 1935 and 2,432,000 cwt. in 1934. Imports declined from 123,000 cwt. in 1934 to 115,000 cwt. in 1935, and increased to 122,000 cwt. in 1936. Exports declined from 858,000 cwt. in 1934 to 846,000 cwt. in 1935, and dropped further to 678,000 cwt. in 1936. Potatoes available for home use in the three years were: 1934, 44,928,000 cwt.; 1935, 35,763,000 cwt.; and 1936, 36,756,000 cwt. Quantities of potatoes on farms at Mar. 31, of each of the years were: 1934, 19,740,000 cwt.; 1935, 11,447,000 cwt.; and 1936, 10,482,000 cwt. The above are final figures taken from Reports of the Agricultural Branch of the Dominion Bureau of Statistics.

Tobacco, 1934—36

The total value of the tobacco crop in Canada in 1936 was estimated at $9,420,200, as compared with $10,762,500 in 1935 and $7,231,200 in 1934, according to the Dominion Bureau of Statistics. A progressive increase was reported in the acreage planted, which was 40,963 acres in 1934, 46,870 in 1935 and 54,965 in 1936. The average yield per acre, however, was lower in 1936 than in 1934, but the average farm price per lb. was higher in 1936. The poundage figures for 1936 are as follows (with the figures for 1935 and 1934 within brackets): total production, 46,084,000 lb. (54,473,000, 38,734,000); average yield, 838 lb. per acre (1,162,946); average

farm price, 20.4 cents per lb. (19.8, 18.7). The falling off in production in 1936, in spite of increased acreage, was attributed to extreme drought conditions, delayed maturity, and frost in Southwestern Ontario, which chiefly affected the yield of flue-cured tobacco. Ontario's output was down over 11 million lb. in 1936, as compared with 1935, but was over 5 million lb. more than in 1934, the average farm price being 23.2 cents per lb. against 20.9 in 1935 and 20.2 in 1934. Quebec's production in 1936 was over 3 million lb. more than in 1935 and over 2 million lb. more than in 1934, but the average price declined from 11.8 cents in 1934 to 10.8 cents in 1935 and 9.3 cents per lb. in 1936. The tobacco output of British Columbia dropped heavily from 264,000 lb. in 1934 to 16,000 lb. in 1935, but recovered to 90,000 lb. in 1936, while the average price increased from 23.6 cents to 24.5 cents and 29.4 cents per lb. in the same period. In recent years tobacco production in British Columbia has gradually shifted to the coastal area, and in 1936 was confined to the Sumas Prairie.

Sugar Beets and Beetroot Sugar, 1934—36

A record production in both sugar beets and beetroot sugar was reported for 1936, the total output of sugar beets being 555,969 tons valued at $3,510,922, as compared with 459,223 tons valued at $2,881,098 in 1935, and 412,672 tons at $2,599,982 in 1934. The average price per ton in 1936 was $6.31, as compared with $6.27 in 1935 and $6.30 in 1934. A total of 52,748 acres were seeded in 1936, yielding 10.54 tons per acre, as against 51,985 acres and a yield of 8.83 tons per acre in 1935, and 38,495 acres yielding 10.72 tons per acre in 1934. Production of refined beetroot sugar in Canada in 1936 amounted to 156,066,242 lb., at an average price of 3.9 cents per lb. and a total value of $6,103,264. Comparative figures for the two preceding years were: 1935, 119,857,668 lb., 3.9 cents per lb., value $4,617,733; 1934, 114,022,950 lb., 4.1 cents per lb., value $4,714,625. The above final figures, which are taken from the Report of the Agricultural Branch of the Bureau of Statistics, do not include sugar beets grown for feed.

Fruit and Floriculture, 1934—36

The total value of commercial fruit production in Canada during 1936 was $15,314,100 as compared with $18,304,000 in 1935 and $15,759,500 in 1934, according to Reports of the Monthly Bulletin of Agricultural Statistics. By Provinces the fruit yield in 1936 (figures for 1935 and 1934, respectively, in brackets) were: Nova Scotia, $3,113,400 ($4,405,200 and $3,206,000); New Brunswick, $196,500 ($213,600 and $159,500); Quebec, $1,370,500 ($1,743,000 and $1,257,000); Ontario, $4,721,000 ($5,440,000 and $4,734,300); and British Columbia, $5,912,700 ($6,502,200 and $6,503,900). The apple crop in 1936 amounted to 4,115,200 bbl. and was valued at $9,799,800 as compared with 4,499,900 bbl. and $11,581,000 in 1935, and 4,257,400 bbl. and $9,182,900 in 1934. The average price per barrel in 1936 was $2.38, against $2.57 in 1935 and $2.15 in 1934. The value of other fruits for the three years was as follows:

	1936	1935	1934
	$	$	$
Pears	601,300	641,300	592,900
Plums and Prunes	240,500	356,900	369,500
Peaches	975,500	907,650	1,033,600
Apricots	4,100	90,000	244,900
Cherries	480,400	556,500	457,100
Strawberries	1,930,700	2,352,000	2,070,100
Raspberries	721,900	1,041,200	824,300
Grapes	491,300	668,700	984,200

The total value of the floricultural and decorative plant production in Canada for the year ended May 31, 1936, was estimated at $2,784,172, including $1,763,013 for cut flowers. The figures for the two previous years were—1935: total production, $1,689,165, including $1,122,783 for cut flowers; and 1934: production, $1,420,010 with cut flowers at $893,611.

Honey, Maple Sugar and Syrup, 1934—36

The honey crop in Canada in 1936 was one of the best on record, production amounting to 28,233,800 lb., valued at $2,851,700, the average price being 10.1 cents per lb. Comparative figures for the two previous years were—1935: 24,291,000 lb., valued at $2,342,450 at 9.6 per lb.; and 1934: 24,269,800 lb., valued at $2,555,750 at 10.5 per lb. Exports of honey for the crop year ended July 31, 1936 (figures for 1934-35 and 1933-34 in brackets), amounted to: 2,228,429 lb., valued at $170,019 (2,300,572 lb. at $210,006; and 2,110,979 lb. at $183,662). Imports were—1935-36: 29,744 lb., valued at $2,365; 1934-35: 47,334 lb., valued at $3,730; 1933-34: 31,644 lb., valued at $3,252. Production of beeswax in 1936 amounted to 342,700 lb. valued at $87,000, as compared with 295,800 lb. valued at $80,190 in 1935, and 297,205 lb. valued at $69,520 in 1934. During the three-year period Prince Edward Island nearly trebled its annual honey output, Nova Scotia remained comparatively steady, New Brunswick showed a slight decline, Quebec's output increased from 3.6 million lb. to 5.3 million lb., Ontario showed a decline from 12.1 million lb. in 1934 to 8.9 million lb. in 1936, Manitoba nearly doubled its honey production in the same period, while Saskatchewan's output rose from 647,200 lb. in 1934 to 2,636,300 lb. in 1936. Alberta's output decreased from 1.5 million lb. in 1934 to 1.1 million lb. in 1935 but increased to 1.8 million lb. in 1936. British Columbia showed a slight decline.

Production of maple sugar in Canada in 1936 registered a sudden rise in both quantity and total value with an output of 9,231,803 lb., valued at $1,058,062, as compared with 6,538,960 lb., valued at $740,145 in 1935. The average price per lb. was 11 cents in both years.

Production of maple syrup, however, showed a decline in quantity from 2,250,769 gal., valued at $2,782,275 in 1935 to 2,022,719 gal., valued at $2,655,719 in 1936.

Live Stock, 1934—1936

Values of live stock on farms for the three years, 1934, 1935 and 1936 were as follows: $413,837,000, $489,326,000 and $527,298,000. Values of live stock marketed for the same years were: $99,016,000, $119,355,000 and $128,769,000. The industry showed steady improvement during the years 1934, 1935 and 1936, the last year establishing a new high record in marketings of cattle, calves and hogs through stock yards, packers and direct on export, but sales of sheep in 1936 were slightly lower than in the two previous years. Hog marketings also declined slightly in 1935 from those of 1934.

The market price of all classes of meat animals showed an upturn in 1934. Notwithstanding drought conditions, cattle values slightly improved. Large supplies of cattle and calves were forced into liquidation; the sales being the heaviest since 1930. Sheep and lamb sales, mainly for domestic consumption, registered an improvement of about 25 cents per cwt. for all classes at all markets. In the following year (1935) the average price of cattle at principal markets rose to a higher level than during any year since 1931. Hog and sheep prices, notwithstanding a decline

in marketings, were somewhat higher. The average prices of cattle and hogs at all markets were slightly lower in 1936 and prices of calves and sheep were higher. The total gross revenue, however, owing to the greater volume of marketing, was in excess of that of 1935 and the total net revenue from hog marketings was higher than in any year since 1932.

Canada's foreign trade situation in regard to live stock showed a big improvement in 1936, particularly, in the export of cattle to the United States and to the United Kingdom according to the *Seventeenth Annual Market Review*. The total exports of cattle in 1936 in numbers and values were (figures for the two previous years in brackets): 233,631, valued at $11,770,550 (1935: 112,771, at $6,495,553 and 1934: 63,673, at $4,000,103). Cattle exports to the United Kingdom fell off steeply in 1935. Figures for the three years were—1936: 38,495 head, valued at $2,897,452; 1935: 6,704, at $428,838; and 1934: 53,753, at $3,496,938. Cattle exports to the United States were—1936: 191,149 head, valued at $8,678,921; 1935: 102,934, at $5,935,325; and 1934: 6,341, at $380,302.

The total exports of beef rose from 15,092,200 lb., valued at $943,860 in 1934 to 13,512,600 lb., at $1,248,109 in 1935, but they fell off to 12,416,300 lb., at $829,819 in 1936. Exports of bacon and hams rose from a total value of $18,952,633 in 1934 to $19,999,504 in 1935 and to $25,957,012 in 1936; and pork, from $314,593 to $901,845 and to $2,140,144 in 1936. Exports of sheep and lambs in 1936, chiefly to the United States, numbered 3,533, valued at $63,788 (1935: 3,621, at $51,874; and 1934: 2,090, at $33,284). Exports of mutton and lamb amounted to 378,800 lb., valued at $50,234 in 1934; 315,500 lb., at $44,700 in 1935; and 231,800 lb., at $38,603 in 1936.

The consumption of meats *per capita* in Canada in 1936 (figures for two previous years in brackets) was: beef and veal, 60.34 lb. (1935, 66.18 lb.; and 1934, 67.87 lb.); pork, 67.83 lb. (1935, 62.01 lb.; and 1934, 66.12 lb.); mutton and lamb, 5.93 lb. (1935, 6.36 lb.; and 1934, 6.26 lb.). Total consumption of meat *per capita* in Canada for each year was: 1936, 134.10 lb.; 1935, 134.55 lb.; and 1934, 140.25 lb.

The total values of poultry in Canada during the years 1934, 1935 and 1936 were as follows: $35,398,000, $40,292,000 and $40,366,000. The values of poultry marketed during the three years were: $11,061,000, $12,671,000 and $12,468,000.

Dairy Products, 1934—36

The estimated value of dairy production in Canada in 1936 was $211,421,764, as compared with $193,487,423 in 1935 and $183,791,221 in 1934. These figures include dairy and creamery butter, farm-made and factory cheese, miscellaneous factory products and milk otherwise used.

The total milk production of Canada in 1936 (final estimate of March, 1938) was 16,998,415,500 lb. as compared with 16,527,913,300 lb. in 1935 and 16,329,285,400 in 1934. Milk used in the making of dairy butter totalled 2,669,356,000 lb. in 1936, a decrease from 1935 which was 2,672,530,000 lb.; while the figure for 1934 was 2,573,186,000 lb. Milk used for creamery butter showed an advance each year with 5,874,312,900 lb. in 1936, as compared with 5,639,909,100 lb. in 1935, and 5,498,082,300 lb. in 1934.

Total butter production (quantity and value) for the three years was—1936: 364,957,777 lb. and $78,588,160 (dairy, 114,026,000 lb. and $20,926,000; creamery, 250,931,777 lb. and $57,662,160); 1935: 355,080,798 lb. and $71,465,133 (dairy, 114,161,999 lb. and $19,237,000; creamery, 240,918,799

lb. and $52,228,133); and 1934: 334,770,961 lb. and $65,660,600 (dairy, 114,-161,999 lb. and $19,237,000; creamery, 240,918,799 lb. and $52,228,133).

The output of cheese showed a big increase, particularly in value, in the three years. The quantity and value figures were—1936: 120,352,783 lb. and $15,727,841 (farm made: 1,229,300 lb. and $162,028; factory: 119,123,483 lb. and $15,565,813); 1935: 101,659,538 lb. and $10,703,332 (farm made: 1,232,148 lb. and $133,023; factory: 100,427,390 lb. and $10,570,309); and 1934: 100,357,917 lb. and $9,897,621 (farm made: 1,011,300 lb. and $100,021; factory: 99,346,617 lb. and $9,797,600).

Concentrated whole milk products and by-products output in 1936 amounted to 109,814,325 lb., valued at $7,434,896, as compared with 105,121,881 lb. at $6,987,040 in 1935, and 93,131,601 lb. at $6,207,141 in 1934. Ice cream production advanced in value from $5,279,017 in 1934 to $5,729,256 in 1936.

The total value of miscellaneous factory products in 1936, exclusive of those quoted above, was $18,070,763, as compared with $16,705,958 in 1935, and $15,081,400 in 1934. Total and *per capita* consumption of butter in Canada in 1936 was 355,885,234 lb. and 32.27 lb., as compared with 347,652,539 lb. and 31.79 lb. in 1935, and 336,820,159 lb. and 31.12 lb. in 1934. Imports of butter dropped steeply during the three years, the total imports for 1936 amounting to 117,281 lb., as compared with 148,541 lb. in 1935 and 2,873,562 lb. in 1934. Butter exports rose in 1935 but declined in 1936, the figures being—1936: 5,128,800 lb.; 1935: 7,697,000 lb.; 1934: 428,300 lb. The average price of creamery butter per lb. for 1936, as given by *Statistics of Dairy Factories,* was 22.98 cents as compared with 21.68 cents in 1935 and 20.51 cents in 1934. Cheese consumption in 1936 amounted to 40,239,072 lb., at 3.65 lb. *per capita,* as compared with 39,848,737 lb., at 3.64 lb. *per capita,* in 1935, and 38,914,064 lb. at 3.60 lb. *per capita* in 1934. Cheese imports amounted to 1,239,882 lb. in 1936, as against 1,274,130 lb. in 1935, and 946,401 lb. in 1934. Exports of cheese in 1936 amounted to 81,890,300 lb., against 55,718,700 lb. in 1935, and 61,167,800 lb. in 1934. In 1936 the average price of factory cheese per lb. was 13.07 cents as compared with 10.53 cents in 1935 and 9.86 cents in 1934.

The value of all dairy products by Provinces in 1936 was (figures for 1935 and 1934, respectively, in brackets): Prince Edward Island, $1,652,915 ($1,443,614 and $1,407,121); Nova Scotia, $6,578,035 ($5,948,557 and $5,827,300); New Brunswick, $5,062,494 ($4,681,806 and $4,487,500); Quebec, $52,793,572 ($49,118,969 and $46,462,400); Ontario, $92,515,748 ($85,-132,159 and $80,017,500); Manitoba, $11,701,035 ($10,599,342 and $9,847,500); Saskatchewan, $16,492,364 ($14,011,888 and $13,102,400); Alberta, $16,308,623 ($14,805,308 and $14,407,100); and British Columbia, $8,316,978 ($7,745,780 and $8,232,400).

In 1936 the number of dairy factories in operation was (1935 and 1934 figures, respectively, in brackets) 2,595 (2,610 and 2,653) of which 1,288 were creameries (1,291 and 1,232); 1,008 cheese factories (1,019 and 1,053); 277 combined butter and cheese (279 and 347); and 22 concentrated milk plants (21 and 21).

As a means of equalizing dairy prices, a fund of $1,000,000 was appropriated by Parliament during the 1935 Session. The Minister of Agriculture (the Hon. Robert Weir) explained that it would be sufficient to pay a bonus of 1¼ cents per lb. on every pound of cheese manufactured, between July 3, 1935 and Mar. 31, 1936, to farmers who shipped their milk to cheese factories.

Representatives of the different Provinces met on Jan. 22, 1936, in Montreal in a three-day Conference on milk control. Nova Scotia, New Brunswick, Quebec, Ontario, Manitoba and Alberta were represented. British Columbia and Saskatchewan submitted written briefs. Mr. D. L. Mellish, Member of the Municipal and Public Utility Board of Manitoba presided at the opening meeting. The outcome of the Conference was the appointment of a Committee of three: the Chairman of the Quebec Dairy Commission; the Chairman of the Ontario Milk Control Board; and the Secretary of the New Brunswick Dairy Products Commission. The Committee was to undertake an extensive investigation into the costs of production and distribution of milk in Canada. As butter and cheese came under Dominion jurisdiction and in view of the fact that world prices controlled them, the farmers' returns being governed thereby, it was decided that the Provincial Milk Control Boards should ask the Dominion Government to assure the farmers of reasonable returns for their dairy produce. Milk Control Boards, themselves, could only deal with fluid products. The Resolution called for stabilized rates to be paid to the majority of the farmers in Canada who did not deliver their milk and cream to dairies, but who delivered it to butter and cheese factories.

Egg Production, 1934—36

The total production of eggs in Canada in 1936 was estimated at 219,494,000 doz., valued at $40,776,000 or an average price of 18.5 cents per doz. Comparative figures for the two previous years were—1935: 223,540,000 doz. at $37,763,000 or 17 cents per doz.; 1934: 223,272,000 doz. at $34,454,000 or 15 cents per doz. Quebec, Ontario and British Columbia each registered gains in egg production in 1936, while decreases were shown in all other Provinces. There were 23,798,000 egg-producing hens on farms in Canada in 1936, the average production per hen being 111 eggs. In 1935 there were 24,594,00 hens, with an average production of 109 eggs; and in 1934, 24,688,000 hens, produced an average of 108 eggs per hen. There was a total of 238,269,532 doz. of eggs consumed in Canada in 1936; this was 21.61 doz. *per capita,* as compared with 244,885,983 doz., at 22.39 doz. *per capita* in 1935, and 240,703,352 doz., at 22.24 doz. *per capita* in 1934. Egg imports in 1936 totalled 869,593 doz., as compared with 364,570 doz. in 1935, and 1,153,715 doz. in 1934. Exports of eggs in 1936 totalled 1,203,814 doz., as against 1,300,744 doz. in 1935, and 2,001,024 doz. in 1934. The foregoing figures relate only to eggs produced on farms, and do not include eggs of urban poultry.

Industries of Forest Products, 1933—1936

At the end of 1936, the total area covered by forests in Canada was estimated at 1,254,082 square miles by the Dominion Bureau of Statistics; of this area, 41,637 square miles consisted of occupied agricultural land still forested. The accessible and productive forest area was estimated at 800,783 square miles, of which 395,538 square miles carried timber of merchantable size and on 405,245 square miles there was young growth which, if protected from fire, would eventually produce merchantable timber. The remaining area of 453,299 square miles carried forests of value either because of their influence on water control, climatic conditions, game conservation, or by reason of their attraction to tourists and their value as a source of wood for local use. Canada's forest resources (the Dominion Bureau of

Statistics) in 1933 totalled 266,844 million cu. ft. of standing timber, which was capable of yielding 448,355 million f.b.m. of sawn lumber and 1,521,938 thousand cords of pulpwood, ties, poles and other smaller materials; and for each of the years 1934, 1935 and 1936 the total stood at 273,656 million cu. ft. of standing timber including 425,250 million f.b.m. of sawn lumber and 1,746,639 thousand cords of pulpwood, ties, poles and other smaller materials.

The total forest production with values for each of the four years as given by the Bureau was as follows—1933: 2,027,713,767 cu. ft. and $93,773,142; 1934: 2,299,547,000 cu. ft. and $105,539,732; 1935: 2,440,809,000 cu. ft. and $115,461,779; 1936: 2,702,766,000 cu. ft. and $134,804,228. During the years 1926-36 an average of 267,000,000 cu. ft. of merchantable timber and the young growth on 848,379 acres were destroyed by fire. Insects, fungi and windfall destroy annually at least 700,000,000 cu. ft.

The following table gives the value, by Provinces, of forest production for the four years, 1933—1936:

	1933	1934	1935	1936
	$	$	$	$
Prince Edward Island	501,178	502,392	506,954	520,483
Nova Scotia	4,970,096	5,857,594	6,006,233	6,199,647
New Brunswick	6,197,630	8,155,613	8,543,401	8,848,883
Quebec	34,813,053	38,312,690	41,268,620	47,417,044
Ontario	23,298,854	24,726,574	27,996,771	31,570,806
Manitoba	1,695,545	1,891,440	2,089,487	2,426,001
Saskatchewan	1,818,869	2,001,815	2,119,402	2,038,647
Alberta	2,483,713	2,651,620	3,073,760	3,048,013
British Columbia	17,994,204	21,439,994	23,857,151	32,734,704

A total of 1,863,093,957 cu. ft. of home grown and imported forest products, valued at $85,051,302 was consumed in Canada in 1933, including wood used in the form in which it was taken from the woods, and wood used as raw material in Canadian industry. The figures for 1934 were: 2,112,660,000 cu. ft., valued at $95,311,051; for 1935: 2,218,488,000 cu. ft., valued at $103,700,183; and for 1936: 2,473,798,000 cu. ft., valued at $121,232,090. For each of the four years, 1933-36, this material formed about 91 per cent. of the total cut. Of the total quantity used, approximately less than one half of one per cent. was imported.

The three leading forest products according to value for each of the four years are contained in the following table:

	1933	1934	1935	1936
	$	$	$	$
Logs and bolts	23,158,381	29,115,515	34,077,938	44,827,957
Pulpwood	33,213,973	38,302,807	41,195,871	48,680,200
Firewood	31,141,104	31,489,524	31,864,500	32,167,410

Pulpwood headed the list of forest products as far as value is concerned during the four years in Quebec; for the years 1934, 1935 and 1936 it led New Brunswick also; and in 1936 it was the leading forest industry in Ontario and Nova Scotia as well. Firewood, in value of production during the four years, led in the Provinces of Prince Edward Island, Manitoba, Alberta and Saskatchewan; in 1933, 1934 and 1935 it led in Nova Scotia and Ontario and in the year 1933 it was the most important product in New Brunswick. Logs and bolts held first place during the four years in the Province of British Columbia.

In 1933 about 15 per cent. of the pulpwood cut was exported before being manufactured into pulp but 83 per cent. of this exported material was rossed or barked pulpwood whose value was considerably increased

by this preparation before exportation. The percentage of pulpwood cut for export purposes rose to 18 per cent. in each of the following 3 years, and the rossed or barked pulpwood increased to 86 per cent. in 1934, 93 per cent. in 1935 and decreased to 88 per cent. in 1936. The pulp and paper industry absorbed 85 per cent. of the total cut of pulpwood as its principal raw material in the year 1933; 84 per cent., in 1934; and 82 per cent., in each of the years 1935 and 1936. In pulp-making the value added to the raw pulpwood by manufacture rose from over $28,000,000 in 1933 to $44,000,000 in 1934; to $45,000,000 in 1935; and to $51,000,000 in 1936. Of this pulp, 20 per cent. was exported in 1933, and 17 per cent. in each of the following 3 years. The remainder was made into paper in Canada with a value added to the pulp of over $47,000,000, in 1933; $71,000,000, in 1934; $76,000,000, in 1935; and $85,000,000, in 1936. The value added to the pulpwood by manufacture in the pulp and paper industry as a whole was over $75,000,000 in 1933; $99,000,000 in 1934; $128,000,000 in 1935 and $122,000,000 in 1936.

The total value of capital invested in the wood and paper group in 1933 was $893,309,680; in 1934, $884,503,673; in 1935, $873,756,949; and in 1936, $874,592,781. The number of employees and the total wages they received were: in 1933, 105,471 and $102,500,377; in 1934, 116,691 and $117,360,969; in 1935, 123,724 and $128,196,524; and in 1936, 132,374 and $141,301,340. The values of production for the four years were as follows: 1933, net $207,175,377, gross $342,155,077; 1934, net $249,046,690, gross $404,435,948; 1935, net $239,387,227, gross $441,160,387; and 1936, net $261,-020,034, gross $497,103,666.

Out of the total of cubic feet of timber cut in Canada in each of the four years, 1933-36, approximately 91 per cent. was retained in the country for immediate use or as raw material for further manufacture, and 9 per cent. was exported in a more or less unmanufactured form.

The Fourth Empire Forestry Conference was held in September, 1935, in Durban, South Africa. Mr. E. H. Finlayson, B.Sc.F., Director of Forestry and Mr. T. A. McElhanney, B.A.Sc., Superintendent of the Forest Products Laboratories, represented the Canadian Government. Mr. P. Z. Caverhill, Chief Forester of the Government of British Columbia and Mr. Walter C. Cain, Deputy Minister of Lands and Forests of Ontario, represented their respective Provinces. Mr. G. R. Heasman and Mr. J. L. Mutter, Canadian Government Trade Commissioners at Capetown and Johannesburg, respectively, and Mr. William Johnston, British Columbia Lumber Commissioner in South Africa, were appointed Associate Canadian delegates.

The Pulp and Paper Industry, 1934—36

The gross value of production (net value of production in brackets) in the pulp and paper industry of Canada in 1936 was $185,144,603 ($87,150,666), as compared with $159,325,546 ($78,647,626) in 1935, and $152,647,756 ($77,243,309) in 1934, according to Reports issued by the Forestry Branch of the Dominion Bureau of Statistics. Despite the marked increase in 1936, the figure was still 25 per cent. below the record figure for 1929. The gross value represents the values of pulp made for sale, pulp made for export and paper manufactured. In accordance with a resolution passed at the Conference of the British Commonwealth Statisticians, held in 1935, the net value of production is compiled by subtracting the cost of materials and supplies, fuel and electricity

from the gross value of products. Prior to this only the cost of materials was deducted.

In 1936 there were 93 mills in operation as compared with 95 in 1935 and 1934. The pulp production and value for each of the three years was as follows: 1936, 4,485,445 tons, $92,336,953; 1935, 3,868,341 tons, $79,722,039; and in 1934, 3,636,335 tons, $75,726,958. During the three years, 1933-36, Quebec led in the manufacture of pulp and paper and Ontario came second. Paper production showed an increase in the Dominion as a whole and in every Province during the years 1934 and 1936 with the greatest increase being in newsprint; and in 1935 paper production showed an increase in the Dominion as a whole and every class of paper increased in every Province except in the case of newsprint and paper boards which showed decreases in British Columbia. During this year, for the Dominion as a whole, tissue and other paper showed the greatest increase. The newsprint production amounted to 3,225,386 tons valued at $105,214,533 in 1936 as compared with 2,765,444 tons valued at $88,436,465 in 1935 and 2,604,973 tons valued at $86,811,460 in 1934. Production in 1936 marked an all-time record in Canada, the tonnage being 19 per cent. greater than in 1929, although the value was 30 per cent. lower than in that year. The total capital in the industry decreased slightly during 1936, being estimated at $539,350,001, as compared with $545,572,938 in 1935 and $554,973,891 in 1934. Employees numbered 30,054 with average earnings of $1,333, as compared with 27,836 in 1935 with average earnings of $1,289 and 26,993 employed in 1934 with average earnings of $1,234.

Exports of pulp in 1936 were valued at $31,246,695; in 1935, $27,625,730 and in 1934, $25,444,844. Exports of paper and paper goods in 1936 amounted to $110,861,428, as compared with $94,041,591 in 1935, and $87,633,721 in 1934. The gross contribution toward a favourable trade balance by the pulp and paper industry as a whole was $143,008,660 in 1936 as compared with $122,235,432 in 1935 and $113,945,184 in 1934. During the 3 years, 1934-36, Canada held first position by a wide margin among the world's exporters of newsprint.

The Lumber Industry, 1934—36

The lumber industry, as covered in the Annual Reports of the Forestry Branch of the Dominion Bureau of Statistics, includes the production of sawn lumber, shingles, sawn ties, box shooks, veneer, spoolwood, pickets, staves, heading and hoops and the cutting up and barking or rossing of pulpwood. The gross value of production of this group for 1934 was $54,819,071 as compared with $65,905,132 in 1935 and $80,343,291 in 1936. Taking the items or products of the lumber industry separately, lumber headed the list for the years 1934, 1935 and 1936 with values as follows: $40,509,600, $47,911,256 and $61,965,540, respectively. Shingles came second during the 3 years with values as follows—1934: $4,422,578; 1935: $7,593,765; and 1936: $6,754,788.

In point of value of production in the industry during the 3 years 1934-36, British Columbia came first, with a gross value of production for the 3 years as follows: 1934: $29,404,759, 1935: $35,713,189; and in 1936: $45,546,430.

The total value of exports of sawmill products and other partly manufactured and unmanufactured forest products from Canada during the calendar years 1934, 1935 and 1936 was $45,201,529, $50,393,247 and $62,973,131, respectively.

Mining and Metallurgical Industries in 1934—1936

In 1936, for the second consecutive year, the annual value of Canadian mineral production established an all-time high record—$361,919,372 as compared with $312,344,457 in 1935 (Dominion Bureau of Statistics). There were gains in all groups, the values of metallics totalling $259,425,914 in 1936, as compared with $221,800,849 in 1935. Fuels, including coal, natural gas, petroleum and peat, totalled $59,983,320 in 1935, as against $54,824,200 in 1935. Other non-metallics, which showed the greatest gain, totalled $16,740,117 in 1936 and $12,504,008 in 1935—an increase of 33.88 per cent. Clay products and other structural material were valued at $3,471,027 and $22,299,714, respectively, in 1936, as compared with $3,012,563 and $20,202,837 in 1935.

The production of Canadian gold in 1936 reached a new record in both amount and value. The output totalled 3,748,028 fine oz. valued at $131,293,421, as compared with 3,284,890 fine oz. valued at $115,595,279 in 1935. In 1936 the average price of an ounce of fine gold was $35.03 as against $35.19 in 1935. As in previous years, Ontario was far ahead of the other Provinces in gold production in both the periods under review, with 2,378,503 fine oz. in 1936 as compared with 2,220,336 in 1935. In 1936, the gold quartz mines of Porcupine and Kirkland Lake produced approximately 53 per cent. of the Dominion total, while in 1935, they had been responsible for 58 per cent. One-hundred-and-fifty ton mills were put into production on the Pickle Crow and McKenzie Red Lake mines in 1935; and one of 300 tons at Larder Lake in 1936, according to *The Canadian Mineral Industry* Reports for the Calendar years 1935 and 1936. Pamour and Ross (Hollinger) in the Porcupine belt; Omega in the Kirkland Lake belt; and Argosy, Red Lake Gold Shore, Hudson Patricia, Algold, Elora, Sturgeon River Gold and Red Crest in north-western Ontario first reported production in 1936. According to the *Annual Reports on the Mineral Production of Canada,* the Province of Quebec came second in gold production with 666,905 fine oz. in 1936, as compared with 470,552 in 1935. Among the larger new mills in Quebec in 1935, according to *The Canadian Mineral Industry,* were a 500-ton mill on Lamaque, a 300-ton mill on Canadian-Malartic, and a 180-ton mill on the Arntfield mines. A large extremely high-grade ore shoot was discovered on the O'Brien-Cadillac mine in 1936; and in that year, the Shawkey, Thompson-Cadillac, Stadacona and Mud Lake mills came into operation. British Columbia production totalled 451,938 fine oz. in 1936, as against 391,633 the preceding year. Eleven mills commenced operations in 1935 (including 150-ton mills on Ymir Consolidated and Sheep Creek mines, and 100-ton mills on Surf Inlet Consolidated, Meridian and Violet mines). In 1936, there were no outstanding developments in British Columbia. The combined production of Manitoba, Saskatchewan and Alberta was 188,363 fine oz. in 1936, as against 157,086 in 1935. In Manitoba, God's Lake mine was put into production in 1935; and Gunnar Gold and Laguna, in 1936. Nova Scotia produced 11,960 fine oz. of gold in 1936 compared with 9,376 the previous year. In 1935, exploration at Caribou mines was of special interest; and the following year a 200-ton mill was put into operation at Goldboro by Seal Harbour Gold Mines, Limited. The Yukon and the Northwest Territories showed a substantial increase in production with 50,359 fine oz. in 1936 as against 35,907 in 1935.

Canadian silver production in 1936 was 18,334,487 fine oz., an increase of 10.3 per cent. over that of 1935 (16,618,558 fine oz.). The average price,

however, was only 45.13 cents an oz. in 1936; whereas it had been 64.79 cents in 1935. Consequently, the total value was $8,273,804 in 1936, as against $10,767,148 in 1935. British Columbia produced 9,748,715 fine oz. of silver in 1936 as compared with 9,178,400 in 1935. Ontario mines yielded 5,219,366 fine oz. in 1936 and 5,161,651, the previous year. Manitoba totalled 791,489 fine oz. in 1936, against 1,206,454 in 1935; Quebec, 724,339 as against 668,836; Nova Scotia, 107,642 as against 372; Saskatchewan, 642,497 as against 201,608; Yukon, 783,416 as against 54,715, and Northwest Territories, 317,014 as against 146,506.

In 1936 a new all-time high record in Canadian nickel production was established for the third successive year. Statistics showed an output during the year of 169,739,393 lb. valued at $43,876,525 as compared with 138,516,240 lb. worth $35,345,103 in 1935. Production as recorded came entirely from the Province of Ontario and included nickel in matte exported, metal electrolytically refined at Port Colborne, Ontario, and that contained in oxides and salts produced in Canadian metallurgical plants.

Production of copper in Canada in 1936 totalled 421,027,732 lb., valued at $39,514,101, establishing an all-time high record for output and the value was surpassed only by that of 1929. In comparison with this, the 1935 production totalled 418,997,700 lb., valued at $32,311,960. Copper production (in lb.) by Provinces in 1935 and 1936 was, respectively: Ontario, 252,027,928 and 287,914,078; Quebec, 79,050,906 and 66,340,175; Manitoba, 38,011,371 and 29,853,220; British Columbia, 38,478,043 and 21,169,343; Saskatchewan, 11,429,452 and 14,971,609, and Nova Scotia, 779,307 in 1936 (none was reported for 1935).

Lead production in Canada in 1936 totalled 383,180,909 lb., valued at $14,993,869, as against 339,105,079 lb., valued at $10,624,772 in 1935. The average price per lb. was 3.913 in 1936 and 3.133 the previous year. In both the years under review British Columbia was the chief producer. The production of Yukon and the Northwest Territories was higher again in 1936, totalling 2,568,699 lb., as compared with 231,418 in the previous year.

New highs were again attained in Canadian zinc production with a total of 333,182,736 lb. in 1936, and 320,649,859 lb. in 1935.

The platinum group of metals showed a marked increase in 1936 though 1935 platinum production was a decrease over that of 1934. Canada's cobalt production, which comes from the cobalt-silver deposits of Northern Ontario, continued the steady increase commenced in 1934. Selenium and tellurium were increasing annually in importance. Cadmium production increased appreciably during the two years under review, with the Flin Flon mine in Manitoba contributing to the total for the first time in 1936. The 1936 output of bismuth was the greatest ever recorded, totalling 360,523 lb., as against 13,797 in the previous year.

Production of Canadian coal in 1936 totalled 15,229,182 short tons valued at $45,791,934 as compared with 13,888,006 short tons worth $41,963,110 in 1935. Nova Scotia continued to be the leading coal producing Province with a total output of 6,649, 102 tons in 1936 compared with 5,822,075 tons in the previous year. New Brunswick reported a production of 368,618 tons or 6.5 per cent. above the 1935 total. Output from Manitoba mines advanced to 4,029 tons from the preceding year's production of 3,106 tons. An increase of 10.7 per cent. was recorded in Saskatchewan's 1936 output, bringing the total to 1,020,792 tons. In 1936, Alberta mines produced 5,696,960 tons as against 5,462,894 in 1935.

Production from British Columbia sources totalled 1,489,171 tons in 1936, or 11.9 per cent. above the 1935 output. The Yukon coal output declined to 510 tons in 1936 from 835 tons in 1935. Canadian coal imports totalled 13,735,040 short tons in 1936 as compared with 13,006,021 short tons in 1935. Natural gas production in Canada during 1936 reached 28,113,348 M. cu. ft., and in the preceding year, 24,910,786 M. cu. ft. Crude petroleum production showed an increase with 1,500,374 barrels in 1936 as compared with 1,446,620 in 1935.

In the non-metallic group, in 1936, asbestos advanced 43.2 per cent. in quantity and 41.1 per cent. in value over 1935; gypsum production increased 53.9 per cent.; mica, 27.5 per cent. although there was a decrease of 9.1 per cent. in value; sodium sulphate reached a new high at 75,598 short tons in 1936 as compared with 44,817 tons in 1935. Feldspar production was 17,846 short tons in 1936, as against 17,742 short tons in 1935. Sulphur production nearly doubled, with 122,132 short tons in 1936 and 67,446 short tons in 1935. The quantity of salt produced in 1936 was the greatest ever recorded totalling 391,316 short tons. The value, however, was a little lower than in 1935. The slow improvement in structural materials group continued during the two years under review, with a value of $25,770,741 in 1936, and of $23,215,400 the previous year.

The Non-ferrous Smelting and Refining Industry, 1934—36

According to the *Annual Reports on the Mineral Production of Canada* issued by the Dominion Bureau of Statistics, the gross value of all products made in Canadian smelters and refineries, from almost entirely primary mine material totalled in 1934, $149,936,239; in 1935, $186,245,658; and in 1936, $229,737,420. Refined metal production included gold, silver, aluminium, copper, nickel, cobalt, lead, zinc, bismuth, cadmium, selenium and tellurium, while semi-processed and other end products of individual plants included copper-nickel matte, cobalt and nickel salts and oxides, radium salts, uranium compounds, arsenious oxide, sulphur dioxide, platinum metal residues, and blister copper. The capital employed in the industry in 1934 was $146,047,422; in 1935, $145,686,299; and in 1936, $143,858,717. The estimated cost of ores, concentrates and other material treated in 1934 was $78,325,552; in 1935, $108,081,395; and in 1936, $137,857,432.

During the years 1934, 1935 and 1936, Canada ranked third in world copper production on a smeltry basis, being surpassed during these three years only by the United States and Chile; in the production of lead, Canada ranked fourth during the years 1934, 1935 and 1936, being surpassed only by the United States, Australia and Mexico during these three years. As a world producer of metallic zinc Canada came third in 1934, 1935 and 1936, the production of the United States being the greatest and that of Belgium ranking second during these three years.

In the Province of Quebec, the Aluminum Company of Canada, Ltd., the sole producer of new metal in the Dominion, operated its Shawinigan Falls fabricating plant continuously throughout the years 1934 and 1935. The Company's reduction works at Shawinigan Falls was inactive during these two years; but the reduction plant at Arvida maintained steady production of aluminium ingot, employing both imported alumina and aluminium produced at Arvida in 1934. In 1936, the one plant at Arvida was active throughout the year, while aluminium ingot was manufactured at both the Shawinigan Falls and Arvida reduction plants. Operation at the slag ore works at Arvida was discontinued during the years 1934

and 1935. The Company made an important extension valued at $1,000,000 to its plant at Arvida during 1935-36, for the extraction of alumina from bauxite by the "Bayer" process. The Company's Report stated that "the new process will tie in with the existing 'Hall-Hoopes' process and utilize certain steps, buildings and equipment which have been associated with it." In 1936 Demerara bauxite from British Guiana was being used at the Arvida plant, the mineral being shipped direct from MacKenzie, British Guiana, to Port Alfred on the Saguenay River; thus, the Report of the Company stated, "the production of aluminium at Arvida is an all-Empire enterprise, from mines to finished product".

The Report of Noranda Mines Limited for the year 1936 contained a table showing the operation of their smelter—the amount of material treated and the production—since the commencement of operations.

The concentrator treated 920,363 tons of ore from the Horne mine in 1934; 1,048,806 in 1935; and 1,070,597 in 1936. The new 500-ton cyanide mill, designed to re-treat the pyrite portion of the flotation mill tailing, was completed during the year (1935) and started up in May.

Operations of Noranda Smelter	Smelted Ore, Concentrate and Refinery Slag (ton)	Production Fine Copper (lb.)	Gold (oz.)	Silver (oz.)
1927	10,740	552,345	767	2,644
1928	271,926	33,065,261	52,949	186,277
1929	428,221	51,223,115	68,732	334,279
1930	734,072	75,509,373	117,393	691,920
1931	765,544	62,859,355	253,363	558,801
1932	918,567	63,013,485	341,350	619,597
1933	1,010,629	65,008,731	284,675	510,739
1934	1,050,684	70,175,512	248,615	552,809
1935	1,076,232	74,478,436	268,333*	544,559
1936	1,120,455	62,750,342	342,495	543,250

* Includes some gold recovered in cyanide plant which did not pass through the smelter.

The Canadian Copper Refiners Limited of Montreal East, maintained steady production of their electrolytic copper refinery throughout the years 1934, 1935 and 1936, the blister copper coming from the Noranda smelter in Quebec and the Flin Flon smelter in Manitoba. Production at the plant included electrolytic copper, gold, silver, selenium and tellurium in 1935 and 1936; in 1934 owing to the demand for selenium, tellurium was not produced.

In Ontario, the International Nickel Company of Canada, Limited, in 1934, extracted 2,690,814 tons of ore of which the Frood Mine contributed 1,868,186 tons and the Creighton Mine 822,628 tons. In 1935 a total of 3,382,409 tons was extracted: from the Frood Mine 2,875,599 tons and from the Creighton Mine 506,810 tons. In 1936, 4,299,329 tons were extracted: from the Frood Mine 3,408,956 tons and from the Creighton Mine 890,373 tons. The concentrator capacity was enlarged to treat 11,000 tons of ore per day during 1936. The Copper Cliff smelter produced in 1934, 92,174 tons of bessemer matte and 97,611 tons of blister copper; in 1935, 118,016 tons of bessemer matte and 121,574 tons of blister copper; and in 1936, 149,000 tons of bessemer matte and 139,796 tons of blister copper. This plant was extended during the year (1936), the additional facilities increasing productive capacity by one-third. At the Coniston smelter in 1934, 840,980 tons of ore were processed and 59,732 tons of bessemer matte produced; in 1935, 790,351 tons of ore were processed and 54,248 tons of bessemer matte produced; and in 1936, 834,314 tons of ore were processed and 56,827 tons of bessemer matte produced. The nickel refinery at Port Colborne produced in 1934, 70,974,850 lb. of nickel;

in 1935, 80,381,532 lb.; and in 1936, 103,860,757 lb. In 1935 the increased demand for nickel necessitated operating the electrolytic nickel refinery at capacity for the first time since additional units were installed in 1929. The year began with six circuits in service to which were added during the year the three reserve circuits, thus bringing the refinery to maximum output. An addition to this plant, which increased capacity by 50 per cent. was completed during 1936; a small plant was also built for the fabrication of "monel" hot water tanks and range boilers.

In 1935 the refinery of Falconbridge Nickel Mines Limited in Norway operated very steadily throughout the year. Certain additions and alterations were made which increased its total capacity, including capacity for custom matte, to 7,000 short tons of nickel annually; the plant (for the separation of precious metals) started delivery of gold, silver, platinum and palladium; 10,753,756 lb. of nickel and 5,029,525 lb. of copper being produced. In 1936 a suspension of operations was forced through the failure of power-supply when the Stinson generating station of Hydro was destroyed by fire in September; smelter extensions were completed during the shutdown. The results of operations at the mill and smelter of Falconbridge during the three years, 1934-36, were as follows:

	1934 (short ton)	1935 (short ton)	1936 (short ton)
Total ore treated	272,923	302,510	327,783
Matte produced	9,271.4	10,029.50	10,244
Nickel in matte produced	5,202.6	5,651.55	5,682.5
Copper in matte produced	2,450.8	2,597.26	2,644.4

The Eldorado Gold Mines, Limited, reported for the three years 1934, 1935 and 1936. During 1934 the Port Hope radium refinery received from Great Bear Lake, N.W.T., 77 tons of pitchblende and silver ore, and 7 tons of silver concentrates. Twenty-six tons of ore were treated with recovery of radium, uranium, silver and lead amounting to $210,000 leaving 48 tons of roasted ore on hand at Dec. 31, 1934. For 1935 the ore shipment received from Great Bear Lake (recovery of radium, uranium, silver and lead) amounted to $490,000. In this year a definite chemical process for every type of ore sorted or concentrated at the mine was established and operated in the plant, with satisfactory results of extraction. Treatment of silver was altered from dry smelting to wet chemical leaching, and silver was produced in the form of sulphide at 75-80 per cent., which was sold at market prices to United States refineries. A reverberatory brick furnace, required for a preliminary salt roast of the ore, was erected and started in November (1935). For 1936 the Company reported that definite evidence was in hand that the processes in effect were satisfactory, economical and profitable. With the considerable and rather accelerated increase in production which had been required to meet the demands for radium (production, March, 1937, being at the approximate rate of 2.5 grams per month) the facilities at the refinery had become so strained, that it decided to treble the capacity of the refinery. In May, 1936, erection of a new laboratory for radium finishing was commenced and in November, 1936, was witnessed the completion in production of the first ounce of radium. Uranium also was being produced from pitchblende at the Port Hope refinery and the Company reported that there was a widespread demand for this product in the ceramic industry in which it was utilized in the colouring of glass, pottery and enamelware and for obtaining a satisfactory glaze. In addition to radium and uranium products the Company also was recovering important quantities of silver.

In 1934 the Hudson Bay Mining and Smelting Company, Limited, Flin Flon, smelted in its reverberatory furnace, 245,245 tons of Flin Flon ore and concentrates; in 1935, 301,790 tons; and in 1936, 296,877 tons. There were produced and shipped 19,101 tons of blister copper, with an average assay of: gold, 5.20 oz. per ton; silver, 70.61 oz. per ton; and copper, 98,63 per cent. in 1934; 24,950.12 tons of blister copper, with an average assay of: gold, 4.177 oz.; silver, 56.40 oz.; and copper, 98.73 per cent. in 1935; and 22,658 tons of blister copper with an average assay of: gold, 5.044 oz.; silver, 63.48 oz.; and copper, 98.67 per cent. in 1936. During 1934 the electrolytic zinc plant treated 72,896 tons of zinc concentrates, yielding 49,427,280 lb. of zinc; in 1935, 88,862 tons were treated, yielding 60,104,700 lb. of zinc; and in 1936, 87,137 tons were treated, yielding 64,437,820 lb. of zinc. A plant designed to recover the metals contained in the cadmium precipitate came into production during the first half of 1936.

The Consolidated Mining and Smelting Company of Canada, Limited, produced in 1934 at its Kimberley and Trail, B.C., plants, together, 315,346,312 lb. of lead and 221,955,701 lb. of zinc; in 1935, 328,658,528 lb. of lead and 238,144,000 lb. of zinc; and in 1936 365,082,000 lb. of lead and 273,942,000 lb. of zinc. In 1936 the fertilizer plant underwent several changes in order to combine the operations of the direct production units with the new sulphur dioxide absorption and recovery plants. Up to 165 tons per day of excellent grade ammonium sulphate had been recovered at a cost, slightly above the cost of that made directly from ammonia and sulphuric acid. A remarkably pure elemental sulphur also was being obtained from these plants. All the gases from the zinc plant, would, in future, be treated, the sulphur from the fumes being recovered as ammonium sulphate, sulphuric acid and elemental sulphur—the last two being interchangeable. As soon as the absorption plant was proved successful, an appropriation had been made to build further absorption plants to treat the tail gas from the sulphuric acid plant and to start recovery of the low-grade roaster gas from the lead plant. Two additional units had been added to the hydrogen plant (the limiting plant in the ammonia group), making a 37 ton increase in the ammonia production

The Department of Mines, 1934—1936

Extensive progress in the mining industry during the fiscal year 1934-35 was reflected in a marked increase in the demands on the Department as compared with the previous year, according to the Report of the Department of Mines for the year ended Mar. 31, 1935 (issued by the Hon. W. A. Gordon, Minister of Mines). The preponderance of investigations were related to gold development. Some fifty new gold milling plants had commenced production during the year, most of which adopted ore treatment processes prescribed by laboratories of the Department. In the geological field work, the Department reduced to a minimum the waste of effort in searching for new gold resources. The prevailing low prices of base metals resulted in a lack of incentive to proceed with development of enterprises or the search for new resources. Consequently, there was a relatively small number of ore treatment investigations by the Department in these metals during the year. Greater utilization of Canadian sources of fuel and non-metallics in the domestic market was encouraged through research and investigative work. Despite unsettled industrial conditions throughout the world a

new high record in the output of nickel, copper, lead and zinc by Canadian mines was recorded in 1934. The output of gold rose in value from $84,300,000 in 1933 to $102,454,000 in 1934, while dividend disbursements by gold mining companies increased from $23,400,000 to $34,200,000 during the same period. The outlook for structural materials improved at the beginning of 1935; practically every limestone quarry in the Dominion was reported in full operation.

The Annual Report of the Department of Mines for the fiscal year ended Mar. 31, 1936, was issued by the Hon. T. A. Crerar, who succeeded the Hon. W. A. Gordon as Minister of Mines after the General Election in October, 1935. The Report noted the fact that the mining industry in 1936 had again given evidence of vigorous leadership, having virtually equalled its 1929 peak record in production value. Base metals recorded impressive gains. Increases were also reported in gold production (production, $115,595,279 and dividend disbursements by gold mining companies, $58,000,000) and in non-metallics during 1936. A significant feature in the gold industry during the year was the remarkable degree of success which attended a re-survey of old properties and of older areas in search of new sources of gold. Higher prices for base metals were said to have played an important part in the increased value of exports of these metals. The advance of the mining industry in Canada during the previous 25 years was indicated by its dividend disbursements which increased from $12,000,000 in 1920 to $58,000,000 in 1935. The Report further pointed out that the industry's purchasing power in the form of expenditures for supplies and equipment, salaries and wages, exceeded $150,000,000 a year. Substantial increases were reported in metallurgical investigations, but no appreciable increase was reported in the number of base metal tests. As part of the Government's efforts towards creating public interest in and attracting outside capital to Canadian mining, the Hon. T. A. Crerar gave a series of radio talks on Canada's mineral industry. Evidence of the widespread interest aroused was shown by the thousands of requests from Canada and elsewhere for copies of the addresses.

The House of Commons, on Apr. 17, 1935, approved an appropriation of $1,000,000 for a national drive for gold with geological survey parties exploring all likely parts of the Dominion. The Hon. W. A. Gordon (Minister of Mines), in announcing the plan, stated that 900 men, divided into 180 parties, led by competent geologists, would take the field during the following Summer; and that the Provinces would be consulted and the work conducted co-operatively with them. A preliminary Report of the survey was summarized in the House on Apr. 15, 1936, by the new Minister, the Hon. T. A. Crerar. He stated that the information gained by the exploring parties would be "a powerful factor in mineral development for many years to come". The reports, he said, detailed work in 4 areas in Quebec, 3 in British Columbia, 2 in Ontario, 2 in Saskatchewan and 1 each in Alberta, Manitoba, the Yukon and the Northwest Territories. Many thousands of square miles of favourable prospecting ground had been delimited and vital geological knowledge had been gained in areas in which prospecting and development were in progress. He stated that one-third of the 10,000 square miles of territory examined in the Yellowknife region was reported as excellent prospecting ground for precious metals. Mr. Crerar stated that the current season (1936) promised to be "the most active in the history of the Canadian mining industry and it will provide the first opportunity of testing the value of such explora-

tion projects as that launched by the Government (Bennett) last year. Those projects sent to the field close to 190 field parties comprised about 1,000 men."

In one of his first public addresses as Minister of Mines, Mr. Crerar, speaking at a meeting of the Ontario Prospectors' and Developers' Association in Toronto, Mar. 13, 1936 (*The Globe,* Mar. 14), assured his hearers that the Department of Mines would not lose its identity in any consolidation with other Departments. He said that he wished to work in closest harmony with Provincial Ministers. Referring to a Motion of the Association asking for lower transportation rates for prospectors, the Minister said that he saw no reason why the lower rates granted to settlers and commercial travellers should not also apply to prospectors. He suggested that a scheme might be worked out between prospectors and the railways. In a radio broadcast on the metallic mineral industry delivered Apr. 2, 1936, Mr. Crerar stated his belief that mining had taken its place as a basic industry in Canada along with agriculture, lumbering and fishing, and that it was dominantly an export industry. He drew attention to the fact that in some metals the domestic market absorbed only one per cent. of the total output and that, in them all, home consumption was a negligible factor; that production was running at $222,000,000 a year, of which $210,000,000 was exported; that the industry employed 73,000 people earning $88,000,000; and that the population dependent upon mining was approximately 365,000 persons. He said that the industry had embarked on a campaign for doubling the gold output in five years, and that mining experts at Ottawa were confident that the objective would be attained. He stressed the need for capital, but warned against dishonest promotion and unsound financial methods. (*The Leader-Post, Regina,* Apr. 4, 1936). Addressing the Board of Trade at Timmins, Ont., Aug. 28, 1936, Mr. Crerar declared that no increase in taxes on the mining industry would be levied "at least during the life of the present Government." He urged big mining companies to endow scholarships in Canadian universities for students taking mining engineering courses. (*The Telegraph-Journal,* Saint John, Aug. 29, 1936).

Gold mining companies were allowed a 99 per cent. drawback from duties and taxes paid on materials used in the production of gold for export, under an Order-in-Council issued Oct. 22, 1936, and retroactive to Jan. 1, 1935. The chief advantage was that mining companies could recover taxes and duties on chemicals used in the treatment of ore.

A number of interesting authoritative statements on mining were made during the period under review. That Canada might soon enjoy a monopoly in supplying the world's radium needs, was the opinion expressed by Dr. G. C. Laurence, radium authority of the National Research Council, speaking at the Engineering Institute of Canada's luncheon on Oct. 22 (1936) said that with each previous successive find of radium, the new field had obtained a monopoly on the world trade. First it was Czechoslovakia, then Colorado and then the Belgian Congo. The product from ores at Great Bear Lake had successfully challenged the Belgian monopoly and had brought down the price. (*The Mail and Empire,* Toronto, Oct. 23, 1936).

A Chamber of Mines for Montreal was organized by the Board of Trade of that city in September, 1936. To stimulate business arising from mining operations in the Northwestern area of Quebec, it was proposed that the Chamber would be a branch of the Board. (*The Gazette,* Montreal, Sept. 2, 1936).

On Dec. 1, 1936, under the authority of Chapter 33 of the Statutes of Canada, 1936, the Department of Mines and Resources came into being. The Departmental Reports, besides including the Report of Soldier Settlement of Canada, would also embrace the work of the former Departments of Mines, Interior, Indian Affairs and Immigration.

The Dominion Fuel Board, 1934—36

The principal work of the Fuel Board during the two fiscal years 1934-35 and 1935-36 was the administration of Orders-in-Council, authorizing assistance to the movement of Canadian coal into central Canada and, in the case of British Columbia, to coal sold for deep-sea bunkering use. During the year 1934-35, 2,282,157 net tons of Canadian coal were moved at a cost to the Dominion Government of $2,041,081, or 89 cents a ton, as compared with 2,088,941 tons in the previous year costing $2,299,511, or $1.10 a ton. Investigatory work was concentrated upon the effects of the heightening of coal prices in the United States, due to the adoption of the N.R.A. The Annual Report of the Fuel Board for the fiscal year 1935-36 stated that the disallowance of the N.R.A. by the Supreme Court of the United States did not lead to as much disorganization in the coal trade as had been expected. It had called, however, for a thorough check by the Board's staff on the competitive situation between Canadian and foreign coals. During the year 2,249,398 net tons of Canadian coal were moved at a total cost of $2,068,932, or an average of 92 cents a net ton. Changes in the Orders-in-Council from the list included in *The Canadian Annual Review, 1934,* (page 444) were as follows:

(1) P.C. 870 (Apr. 5, 1935) amending Sec. 4 of P.C. 1119, providing assistance to Nova Scotia coal moved to Quebec and Ontario.

(2) P.C. 1862 (Aug. 4, 1936) rescinding P.C. 1119 (May 28, 1934) and amendments, which provided assistance to Maritime coals, and providing revised rates of assistance for their movement to Quebec and Ontario.

(3) P.C. 1861 (Aug. 4, 1936) rescinding P.C. 951 (May 30, 1933) which affected New Brunswick coal moved to Quebec and Ontario, and providing revised rates of assistance.

(4) P.C. 871 (Apr. 5, 1935) amending Sec. 3 of P.C. 1121 (May 28, 1934).

(5) P.C. 894 (Apr. 9, 1936) rescinding P.C. 1121 (May 28, 1934) and amendments, which affected Alberta and Crow's Nest Pass, B.C., coals, moved to Manitoba and Western Ontario, and providing revised rates of assistance.

(6) P.C. 869 (Apr. 5, 1935) rescinding P.C. 1120 (May 28, 1934) which affected movement of Saskatchewan coal to Manitoba and Ontario, and providing revised rates of assistance.

(7) P.C. 895 (Apr. 9, 1936) rescinding P.C. 869 (Apr. 5, 1935) above noted and continuing assistance to movement of Saskatchewan coal to Manitoba at revised rates.

All Orders in the above list with the exception of 1 and 6 are currently in force and, in addition, the following listed in *The Review* for 1934 are still in force:

P.C. 944 (Apr. 26, 1932) providing assistance to Canadian coal used in the manufacture of coke or gas.

P.C. 740 (Apr. 24, 1933) providing assistance to movements of Alberta coal to Eastern and Central Ontario.

P.C. 1122 (May 28, 1934) providing assistance to British Columbia coal for bunkers and export.

Canadian Institute of Mining and Metallurgy, 1935—36

The Thirty-sixth Annual General Meeting of the Institute was held in Winnipeg, Mar. 12—14, 1935, the President, Dr. Selwyn G. Blaylock presiding. Papers dealing with various aspects of mining and metallurgy were presented and discussed, among which was a general review of Canada's mineral industry by Dr. Charles Camsell, Deputy Minister of Mines for Canada. Mr. W. R. Rogers, Director of Publications for the Ontario Department of Mines, reviewed mining progress in that Province. Among the speakers at the various functions were: the Hon. S. McDiarmid, Minister of Mines and Natural Resources, Manitoba; the Hon. John Bracken, Prime Minister of Manitoba; the Hon. Paul Leduc, Minister of Mines, Ontario; and Isaac Pitblado, K.C., LL.D., of Winnipeg. Prize awards for the year were as follows: the Medal of the International Nickel Company, Dr. Selwyn Blaylock for his many achievements in mining and metallurgy; the Barlow Memorial Prize, Dr. Peter Price for a paper on the geology and deposits of the Horne Mine, Noranda, Que.; the Randolph Bruce Gold Medal, Captain J. G. Ross and staff for achievements at the King Mine of the Asbestos Corporation; the President's Gold Medal, H. B. Megill for a paper on the Macassa Mines, Limited. A Medal for Bravery was awarded to Patrick Meeham of the Central Manitoba Mine.

At the Thirty-seventh Annual General Meeting at Ottawa, Mar. 17—19, 1936, with the President, Mr. J. G. Ross presiding, papers dealing with the various aspects of mining and metallurgy were presented and discussed. Among the addresses delivered were those of His Excellency, Lord Tweedsmuir, Governor-General of Canada, and the Hon. T. A. Crerar, Dominion Minister of Mines. Prize awards for the year were as follows: the President's Gold Medal, N. W. Byrne, for a paper on diamond drilling at Lake Athabasca; the Barlow Memorial Prize, Messrs. G. M. Brownell and A. R. Kinkel, Jr., for a paper on the Flin Flon Mine; the Leonard Medal, R. W. Diamond for a paper on the Trail Heavy-Chemical Plant. The annual Medal for Bravery was awarded to Mr. Alfred Ball of the Crow's Nest Pass Coal Company. The following Resolutions were adopted at the Meeting: that prospectors travelling on Canadian railways be granted the same rates now enjoyed by settlers, and that mining men actively engaged in the direction of mining operations and metallurgical and refining plants should be given the same advantages enjoyed by commercial travellers; that the Federal Minister of Mines should be asked to recommend and press upon the proper authorities that a fair proportion of the unemployed should be employed in cutting out and grading roads to connect the newer mining areas with the railways. It also was resolved that the Institute warmly approve the Resolutions adopted by the Western Convention—(1) that depletion allowance for company and shareholders should be restored to its former amount, *viz.*, 50 per cent. for gold mining companies, and 33⅓ per cent. for base-metals; (2) that an agreement should be sought between the Provinces and the Dominion as to proper allocation of tax revenue which would not be greater in the aggregate than the industry might properly bear and progress; (3) that efforts should be made to simplify inheritance-tax procedure by reciprocal arrangements in order to prevent duplication; and (4) that efforts should be made by the several Governments to assure investors in mining developments that they would receive equitable and sensible treatment, and that mining would not be subject to discriminatory legislation.

Fur Resources and Fur Production during 1934—1936

The number of fur farms in operation in Canada in 1936 was 8,142, as compared with 7,495 in 1935, 7,019 in 1934 and 6,473 in 1933, according to the Fur Statistics Branch of the Dominion Bureau of Statistics. The value of lands and buildings on fur farms for 1936 was $7,097,036 (1935: $6,590,825; 1934: $6,209,788; and 1933: $6,265,201) and value of fur-bearing animals for 1936 was $9,838,280 (1935: $9,381,825; 1934: $8,427,567; and 1933: $7,509,567). During 1933, 1934, 1935 and 1936, of the Provinces, Ontario stood first with regard to value of property (land, buildings and fur-bearing animals); Quebec stood second; Prince Edward Island had third place in 1933, 1934 and 1935; and Alberta joined her in the last mentioned year. In 1936 Alberta stood in third place.

In 1936 the gross and net values of trapping (fur production, wild life) was $9,214,325, as compared with $8,877,331 in 1935, and $8,636,885 in 1934.

There had been an almost continuous annual increase in the number of silver foxes born in captivity during the years of available records. A similar trend was shown in the number of minks born on farms. The record year, both kinds, was 1936, when there were born 221,905 silver foxes and 65,892 minks. The total number of all kinds of fur-bearing animals born on farms in 1936, exclusive of muskrat and beaver, was 296,480, as compared with 245,528 in 1935, 203,491 in 1934, and 164,429 in 1933. The total revenue of farms from pelts and live animals during 1936 was $6,539,354, as compared with $5,520,427 in 1935; $4,539,061 in 1934; and $4,066,905 in 1933.

The chief markets for Canadian furs continued to be London and New York. The trade tables for the 12 months ended June 30, 1936, with 1935 and 1934 figures in brackets, showed that of the total of $16,159,275 (1935: $15,224,342; and 1934: $13,944,821) worth of raw furs exported, the United Kingdom received $9,321,147 (1935: $9,755,922; and 1934: $8,723,485); and the United States, $6,015,782 (1935: $4,626,876; and 1934: $4,156,005). The raw fur production of Canada in the 12 months ended June 30, 1936, had a total value of $15,464,883 (1935: 12,843,341; and 1934: $12,349,328). These totals comprised the value of pelts taken by trappers and of pelts sold from fur farms, the latter representing about 40 per cent. of the whole in 1936; 31 per cent. in 1935; and 30 per cent. in 1934. The value of pelts by Provinces for the three fiscal years was as follows: Prince Edward Island, $2,119,706 (1935: $653,238; and 1934: $540,355); Nova Scotia, $676,379 (1935: $650,836; and 1934: $550,699); New Brunswick, $740,789 (1935: $765,169; and 1934: $661,094); Quebec, $2,470,998 (1935: $1,915,009; and 1934: $1,479,811); Ontario, $2,649,647 (1935: $2,218,514; and 1934: $2,230,030); Manitoba, $1,291,854 (1935: $1,185,205; and 1934: $1,323,522); Saskatchewan, $1,152,373 (1935: $1,263,056; and 1934: $1,430,834); Alberta, $1,696,383 (1935: $1,474,528; and 1934: $1,533,799); British Columbia, $1,201,523 (1935: $809,168; and 1934: $961,108); Northwest Territories, $1,188,285 (1935: $1,678,544; and 1934: $1,515,077); Yukon, $276,946 (1935: $230,074; and 1934: $122,999).

Fisheries' Statistics, 1934—1936

Canadian fisheries showed a steady increase in the annual catch during the years 1934, 1935 and 1936, and a still greater advance in the total market value of the product, particularly in 1936, according to the Annual Reports of the Department of Fisheries and *Fisheries Statistics of Canada*. The catch of fish and shellfish, both sea and inland, for 1936 amounted to 1,108,827,900 lb., with a marketed value of $39,165,055, as compared with the catch of 1935 amounting

to 953,201,600, valued at $34,427,854. In 1934 the total catch amounted to 933,086,900 lb. and the total marketed value to $34,022,323. The sea fisheries contributed $32,951,504 to the marketed value in 1936, $29,175,400 in 1935, and $29,241,738 in 1934. Inland fisheries contributed $6,213,551 in 1936, $5,252,454 in 1935, and $4,780,585 in 1934. Atlantic Coast fisheries yielded 537,810,400 lb. in 1936, as compared with 475,469,300 in 1935 and 494,776,600 in 1934. Pacific Coast yielded 489,675,300 lb. in 1936, as compared with 404,178,800 in 1935 and 366,615,400 lb. in 1934. Inland fisheries produced 81,342,200 lb. in 1936, as compared with 73,553,500 lb. in 1935 and 71,694,900 lb. in 1934. By Provinces the marketed value of all fish caught in 1936, 1935 and 1934, respectively, was as follows: Nova Scotia, $8,905,268, $7,852,899 and $7,673,865; New Brunswick, $4,399,735, $3,949,615 and $3,679,970; Ontario, $3,209,422, $2,852,007 and $2,218,550; Quebec, $2,108,404, $1,947,259 and $2,306,517; Manitoba, $1,667,371, $1,258,335 and $1,465,358; Prince Edward Island, $953,029, $899,685 and $963,926; Saskatchewan, $367,025, $252,059 and $219,772; Alberta, $309,882, $225,741 and $245,405; British Columbia, $17,231,534, $15,169,529 and $15,234,335; and Yukon Territory, $13,385, $20,725 and $14,625. (Fisheries statistics for Provinces outstanding in the industry will be found under the individual Provincial Sections).

The largest and most important branch of Canada's fishing industry from the marketed value standpoint is the salmon fishery, with lobster and cod coming second and third. In the inland waters whitefish is the important variety taken.

The quantity catch and the market value of the ten chief commercial fishes of Canada, from 1934 to 1936, were as follows:

Kind		1934	1935	1936	Increase or Decrease 1936 Compared With 1935 Inc.+ Dec.—
Salmon	Cwt.	1,696,856	1,824,205	2,029,704	205,499+
	$	12,875,257	12,540,307	13,867,513	1,327,206+
Lobster	Cwt.	361,992	319,969	283,273	36,696—
	$	4,269,764	4,378,742	4,383,428	4,686+
Cod	Cwt.	1,714,059	1,539,150	1,699,974	160,824+
	$	3,327,507	2,758,140	3,331,750	573,610+
Herring	Cwt.	1,901,874	2,060,320	2,852,381	792,061+
	$	1,799,967	1,817,540	2,576,533	758,993+
Sardine	Bbl.	191,549	187,666	247,238	59,572+
	$	1,039,002	1,335,798	1,598,562	262,764+
Whitefish	Cwt.	144,615	147,456	144,603	2,853—
	$	1,358,692	1,432,072	1,525,700	93,628+
Halibut*	Cwt.	123,152	132,130	138,468	6,338+
	$	1,134,307	1,285,587	1,441,310	155,723+
Haddock	Cwt.	356,068	368,426	403,010	34,584+
	$	1,075,529	1,129,695	1,291,905	162,210+
Pickerel	Cwt.	122,512	109,548	145,635	36,087+
	$	844,848	801,822	1,109,397	307,575+
Trout	Cwt.	58,977	66,325	72,973	6,648+
	$	594,354	768,568	842,738	74,170+
Smelt	Cwt.	59,909	79,409	94,868	15,459+
	$	557,538	588,333	655,656	67,323+
Mackerel	Cwt.	190,818	160,495	227,638	67,143+
	$	421,013	308,721	461,866	153,145+

* NOTE.—Previous to 1934 the totals for halibut included landings at British Columbia Ports by United States vessels, whereas from 1934 on, the United States landings are excluded from the statistics and the figures cover landings by Canadian vessels only.

Plant and equipment in use in the primary operations of the fishery industry in 1936, comprising vessels, boats and gear, represented a capital investment of $27,217,250. The total amount showed an increase of $744,168 over 1935 and $1,004,547 over 1934. Both sea and inland fisheries shared in the increase. There was a total of 71,735 fishermen employed in 1936, as compared with a total of 68,557 for 1935 and 70,634 for 1934. There were

624 fish-canning and -curing establishments in 1936, 630 in 1935 and 665 in 1934; the total number of persons employed in 1936 was 15,238, as compared with 14,361 in 1935 and 14,802 in 1934. The output of these establishments for 1936 totalled $26,684,801, as compared with $23,458,356 in 1935 and $24,056,927 in 1934.

The creation and maintenance of a larger domestic market for Canadian fish, by á governmental appropriation of a sum not less than $100,000 *per annum,* was suggested in a memorandum presented to the Hon. J. E. Michaud, Minister of Fisheries, by the Canadian Fisheries Association at its meeting held in Montreal on Dec. 13, 1935. The Minister promised to place the brief before the Government. A vote of $300,000 was made by the Dominion Parliament in Apr., 1936, to aid, in co-operation with the Provincial Governments concerned, in the re-establishment of needy fishermen. Another $200,000 was voted for the development of domestic and foreign markets for Canadian fish.

In June, 1936, the Senate of the United States approved the ratification of the Sockeye Salmon Convention signed in 1930, subject to three reservations.

The Biological Board of Canada, 1934—36

With the retirement of Dr. J. Playfair McMurrich from the Chairmanship of the Biological Board, the Annual Report for 1934 was presented by the new Chairman, Prof. A. T. Cameron, of Winnipeg. During the past year (1934) certain changes had been made in the Directorships. Dr. A. G. Huntsman had taken charge of publications, Dr. A. H. Leim had been transferred from Halifax to St. Andrews Station, and Dr. D. B. Finn, from Prince Rupert to Halifax. Dr. N. M. Carter, of Departure Bay Station, had been made Director at Prince Rupert. During the Summer of 1934 Dr. A. G. Huntsman was personally engaged in a preliminary study of the Margaree River system, with a view to determining how a sufficient supply of salmon could be assured for angling in the River. Dr. Huntsman also studied conditions governing movements of salmon in St. John River and Minas Channel.

The study of temperatures, salinities and movements of the waters off the Nova Scotian Coast was extended to a larger area and over a longer period during 1935. The experiment on the cultivation of sockeye salmon at Cultus Lake showed that hatchery propagation was no more successful than natural propagation. It was hoped that a bulletin might be issued in the near future dealing with the results of this ten-year experiment. The Margaree River Investigation in Cape Breton Island indicated that the poor angling of the previous two years was due more to reduced river discharge than to poaching or excessive commercial fishing. Five bulletins were issued during 1935, dealing with the subjects of fish-tapeworm, the production of fish oil of high grade for feeding live stock, the herring fishery of British Columbia, the rearing of oyster spat on trays, and the care of fresh halibut aboard ship.

One of the most important accomplishments of the Board during 1936 was the establishment of a station at Gaspé Peninsula. Following the provision of the necessary money by Parliament, in July, a committee of four members of the Board, together with the Director of the Atlantic Fisheries Experimental Station and Dr. Arthur Labrie, Director-designate of the new Station, carefully examined all that part of the Gaspé coast which might be considered suitable for the station. They unanimously

recommended that it should be placed at Grande Rivière. The Committee further consulted as many officials and others as possible in order to get a clear idea of the type of work in which the station could be most helpful to the fishermen of the Peninsula. The Gaspé Fisheries Experimental Station was opened in August.

In January, 1936, the Board co-operated with the National Research Council in calling a meeting of representatives of all bodies throughout Canada interested in fish culture in fresh waters, in relation to both commercial and sports' fisheries. As a result of the meeting, a National Committee on Fish Culture was formed, whose duties were to be (1), to act as a clearing house for information and suggestions regarding every branch of fish culture, and (2), to promote co-ordination and development of research, and (3), to make recommendations in respect to the science and technology of fresh water fish culture.

Water Power and Output of Central Electric Stations during 1934—36

The water-power situation in Canada during the years 1934, 1935 and 1936 as presented in Bulletins on the *Water Power Resources of Canada* issued by the Dominion Water Power and Hydrometric Bureau and in the last-mentioned year issued by the Dominion Water and Power Bureau, each issued three months after the current year, stated that during the years 1934-36 the total available water power under conditions of ordinary minimum flow was 20,347,400 h.p., and that the total ordinarily available for six months in the year was 33,617,000 h.p. The total turbine installation was given as 7,547,035 h.p. in 1934; 7,909,115 h.p. in 1935; and 7,945,590 h.p. in 1936. It was estimated that the existing recorded water power resources of the Dominion would permit a turbine installation of about 43,700,000 h.p. These Bulletins stated that approximately 60 per cent. of the total available water resources and more than 81 per cent. of the developed water power were situated in Ontario and Quebec. The total hydraulic installation in all Canadian industries in 1934 was 7,547,035 h.p.; in 1935, 7,909,115 h.p.; and in 1936, 7,945,590 h.p. The installation in Canada represented an investment estimated in 1934 at $1,743,000,000; in 1935, $1,890,000,000; and in 1936, $1,590,000,000.

While no new undertakings of any considerable size had been initiated since 1931, there was a net gain in hydraulic installation in Canada in 1934, of 214,965 h.p.; in 1935, of 362,080 h.p.; and in 1936, of 36,475 h.p. This brought the total hydraulic installation of Canada to 7,945,590 by the end of the year 1936. The 1936 installation was the lowest increase of any year since 1903; it permitted a market narrowing of the spread between installed capacity and power demand and had been followed by indications of a resumption of plant construction.

The distribution of developed water power in Canada by industries during the three years 1934-36 was as follows: in central electric stations (the power developed for the sale of electricity to meet the general demand), 6,589,941 h.p. for 1934, 6,946,241 h.p. for 1935, and 6,982,541 h.p. for 1936; in pulp and paper mills, 605,346 h.p. was the figure given in each of the three years; in other industries, 351,748 h.p. for 1934, 357,528 for 1935, and 357,703 in 1936. The installation in pulp and paper mills, considerable as it was shown, the Bulletin stated, did not present a true picture of the power demand of this important industry; it should be considered in conjunction with the large electric motor installation

maintained in the mills for operation by power purchased from the central electric stations.

The total output of central electric stations in Canada during 1935 was 23,283,033 kw.h., according to the *Report on Central Electric Stations in Canada.* The output for 1936 was 25,402,282,000 kw.h., being more than 60 per cent. over the low of 1932. Slightly more than 6 per cent. was exported to the United States. During the years 1935 and 1936 the pulp and paper industry was the largest single consumer, taking 40 per cent. of the total output and, in addition, producing 1,212,952,000 kw.h. in 1935 and 1,258,327,000 kw.h. in 1936 at its own plants. The consumption for domestic uses continued to grow, increasing from 1,769,848,000 kw.h. in 1935 to 1,887,116,000 kw.h. in 1936. Of the total output, 98 per cent. was produced by water power and the balance by fuel.

The Third World Power Conference in Washington, D.C., Sept. 7 to 12, 1936, was attended by the following Canadian delegates: the Hon. A. S. MacMillan; Mr. Charles Camsell, Deputy Minister of the Department of Mines; Mr. Julian C. Smith; Mr. E. A. Cleveland; Mr. J. T. Johnston; Mr. G. Gordon Gale; Mr. O. Lefebvre; Mr. John Murphy; Mr. T. H. Hogg; and Mr. J. B. Challies. Mr. Norman Marr was the Secretary of the Canadian delegation.

Construction Situation of 1935 and 1936

With one exception, a substantial increase in every section of the industry was shown by the Annual Survey of the Construction Industry in Canada for 1936. The exception was the average employment for the year, which was 142,346 persons, a decrease of 2,422 from 1935. Notwithstanding this decrease, salaries and wages paid, amounting to $112,846,384, represented an increase of $7,659,761 over 1935. Thus, while actual employment decreased 1.7 per cent. in 1936, the amount paid in salaries and wages increased by 7.3 per cent. The total value of work performed in 1936 amounted to $258,040,400, or an increase of $42,491,527 over 1935. In 1936 new construction accounted for $170,645,824, and alterations, maintenance and repairs for $87,394,576; these were increases over the corresponding 1935 figures of $29,657,596 and $12,833,931 respectively. An encouraging feature was that the work performed by general and trade contractors, builders, etc., amounted to $196,737,443 in 1936, as against the value of $147,530,111 in 1935—an increase of 33.4 per cent. The consumption of materials by contractors in 1936 amounted to $122,189,238, being an increase of 28.9 per cent. over 1935, which was $94,733,584. The amount of capital invested in the construction industry in 1936 totalled $164,322,276, an increase of 3.7 per cent. over 1935. General and trade contractors and sub-contractors accounted for $132,449,927 of this value, and municipalities were credited with $14,720,019. Harbour Commissions and Dominion and Provincial Government Departments reported $3,029,349, $7,979,427 and $6,143,554 respectively. The 1935 figures were: $2,059,561, $11,594,939 and $8,640,976 respectively.

Construction of single and double dwellings was shown at $24,395,931, of which $19,288,528 represented new construction. The figures for 1935 were: total construction, $15,116,849, of which new work represented $11,391,298. These figures represented residential construction by general contractors and did not include cases in which the owner acted as his own contractor, having the different types of work performed by individual trade contractors. Reports of trade contractors showed a value of

$38,234,170, of which $22,332,894 accounted for alterations, maintenance and repairs, the balance being for residential construction.

Office building construction showed an increase from $3,850,234 in 1935 to $4,517,444 in 1936; stores from $3,058,955 to $5,781,560, and factories and warehouses from $9,745,176 to $17,206,512. New construction of mine buildings for 1936 amounted to $6,109,738 as against $430,986 in 1935. Construction by municipalities and Governments dropped from $16,024,971 in 1935 to $12,791,733 in 1936. Highway construction was practically the same in both years with a value of $60,220,573 in 1936, and $60,094,281 in 1935. Bridge building was up in 1936, with a value of $8,256,629, as against $5,032,710 in 1935. Central electric stations and transmission lines totalled $13,795,377 in 1936, as compared with $9,240,027 for 1935. Harbour and river work showed a recession during 1936 with a total value of $14,767,948, as compared with $19,072,688 in 1935. It was pointed out that there was great difficulty in collecting statistics from the smaller trade and subcontractors, and that there were many journeymen workers of whom there was no record, yet whose work aggregated a considerable amount.

The MacLean Building Review gave the following figures regarding construction contracts awarded in 1936; these totalled $162,588,000 as compared with $160,305,000 in 1935, an increase of 1.4 per cent. in 1936 as compared with the preceding year. The 1936 total was also higher than that for any other year since 1931, which was $315,482,000.

According to the Annual Review of Building Permits, issued by the Dominion Bureau of Statistics, the value of the building authorized in 58 cities in Canada in 1935 was $46,560,623 and in 1936, $41,325,693. The values of the building permits, by Provinces, during 1935 and 1936, respectively, were as follows: Nova Scotia, $1,600,242 and $1,283,384; New Brunswick, $2,457,790, and $311,536; Quebec, $10,155,246, and $9,885,433; Ontario, $20,801,421, and $15,417,681; Manitoba, $2,834,635, and $1,462,661; Saskatchewan, $1,029,854, and $640,739; Alberta, $1,550,821, and $1,740,727; British Columbia, $4,621,618, and $5,595,278; totals: 1935, $42,839,627, and 1936, $36,337,439.

The wholesale prices of building materials in 1936, though higher than in 1935 and preceding years since 1930, were decidedly lower than in any other year since 1920. The average index of wholesale prices of construction materials, as calculated in the Internal Trade Branch of the Bureau on the 1926 average as 100, stood at 85.4 in 1936, as compared with 81.2 in 1935; the average for the years, 1920-1935, was 98.8. The cost of building labour in 1936 was very slightly higher than in the preceding year, according to the Labour Department's index of wage rates, based on the 1913 average as 100. This index was 160.8 in 1936, as compared with 159.8 in 1935. During the seventeen years for which building permits figures were available for the 58 centres, the maximum wages index was 203.2 in 1930, while the minimum was in 1913, the basic year.

Manufacturing Production:— 1933 to 1936

Manufacturing production in Canada, which commenced to rise from the low point of the depression during the Summer of 1933, gained further momentum in 1936. According to the *Advance Report of the Manufacturing Industries in Canada,* issued by the Dominion Bureau of Statistics, the total value of production in 1936 was $3,002,403,814, an increase of 13.1 per cent. over 1935, but still almost 23 per cent. below the 1929 peak. The number of

persons employed in 1929 fell from 665,564 in 1929 to 468,658 in 1933, a drop of 29.6 per cent. In 1936 the number rose to 594,359, an increase of 6.8 per cent. over 1935, but the number of employees was 10.7 per cent. below that of 1929. The drop in the pay-roll between 1929 and 1933 was $340,021,641 or 43.8 per cent. The increase in the payroll in 1936 over 1935 was $52,603,657 or 9.4 per cent. Average earnings per employee in 1929 amounted to $1,166; in 1933 earnings had dropped to $931, while in 1936 they had risen to $1,030 per employee. (For further statistics *re* employment see Sections: "Labour" and "Statistical Survey").

The following table shows the percentage variation in employment, salary and wage payments and value of production:

	Percentage (Increase or Decrease) Variation Compared		
	1933 with 1929	1936 with 1929	1936 with 1935
Employees	—29.6	—10 7	+ 6.8
Salaries and wages paid	—43 8	—21 2	+ 9.4
Gross value of products	—49 6	—22.6	+13.1

All groups shared in the improvement during 1936, vegetable products leading with a gain of $73,787,708 in value of production and 4,916 in the number employed. Non-ferrous metals were second with an increase in value of production of $62,641,610 and 3,322 in employment. The wood and paper group followed with an increase of $57,639,973 in production value and 9,363 in the number employed. Iron and its products increased $54,-984,483 in value and gained 8,516 in employment. (The Bureau points out that considerable differences occur in statistics in its Report of 1936 when compared with data published in previous years. This, it said was due to the exclusion of "Central Electric Stations" and "Dyeing, Cleaning and Laundry Establishments." The improvement in 1936 was general throughout Canada. The following table gives the percentage of variation by Provinces in 1936 as compared with 1935:

	Percentage Increase or Decrease in		
	Number of Employees	Salaries and Wages Paid	Gross Value of Products
Canada	+6.8	+ 9.4	+13.1
Prince Edward Island	—2.8	+ 1.1	+ 8.7
Nova Scotia	+7.2	+ 7.2	+10.3
New Brunswick	+3.6	+ 7.3	+ 6 5
Quebec	+6.5	+ 9.9	+12.3
Ontario	+6.9	+ 8.6	+13.5
Manitoba	+6.1	+ 9.3	+11.5
Saskatchewan	+4.2	+ 8.4	+22.8
Alberta	+6.6	+ 9.4	+ 9.2
British Columbia and Yukon	+9.6	+14.7	+16.9

A total of 24,202 manufacturing establishments reported in 1936, as compared with 25,491 in 1935; 25,633 in 1934; and 25,322 in 1933. These plants reported a capital investment of $3,271,263,531 in 1936, as compared with $4,698,991,853 in 1935; $4,703,917,730 in 1934; and $4,689,373,704 in 1933. Ontario as the leading manufacturing Province in Canada, in 1936 employed 48 per cent. of the total capital, 48 per cent. of the total number employed and produced 51 per cent. of the entire manufacturing output.

A prominent feature of Canadian manufacturing development during the few years previous to 1936 was the growth of non-ferrous metal smelting and refining. This adjunct of the mining industry took its place among the leading manufactures along with industries based upon forest, agricultural and live-stock resources. The following tables show the ten leading industries (1) in order of importance; and (2) in rank according to salaries and wages paid:

Industry	Rank of Importance			
	1936	1935	1934	1933
Non-ferrous Metal Smelting and Refining	1	1	2	3
Pulp and Paper	2	2	1	1
Slaughtering and Meat Packing	3	3	4	4
Flour and Feed Mills	4	6	5	5
Butter and Cheese	5	5	6	6
Automobiles	6	4	8	12
Petroleum Products	7	7	7	7
Sawmills	8	8	12	15
Electrical Apparatus and Supplies	9	9	15	17
Cotton Yarn and Cloth	10	10	9	9

Of all groups of the manufacturing industries, the greatest expansion in 1936 took place in the Vegetable Products group with a gain of $73,787,708 in production value and 4,916 in the number employed. Total gross value of production in 1936 was $597,461,635 as compared with $509,822,142 in 1935, $480,314,618 in 1934 and $421,849,872 in 1933. Salaries and wages in 1936 amounted to $84,397,961, as compared with $74,859,447 in 1935, $71,389,376 in 1934 and $66,137,487 in 1933. Capital invested varied very little over the four-year period and it stood at $524,164,493 in 1936. The number employed in the Vegetable Products group rose gradually from 73,095 in 1933 to 87,071 in 1936. Salaries and wages increased from $66,137,487 in 1933 to $84,397,961 in 1936. Flour and feed mills led the group in gross value of production throughout the same period, rising from $83,322,099 in 1933 to $114,617,099 in 1936. Bread and Bakery came second; and rubber goods, including rubber footwear, third.

During the years 1934-36, Canada occupied second place among the world's exporters of wheat flour, Australia being first and the United States third. The rubber industry continued to advance in importance during the years 1934-36; Canada, during this period became a leading manufacturer in the industry.

Production in the Animal Products group during 1933—36 was determined largely by the demand at home and abroad for Canadian butter, cheese, canned fish, fresh and frozen meats bacon and hams, condensed and evaporated milk, etc. The leading industry of animal products for the four years was that of slaughtering and meat packing. In 1936, the value of production was $156,971,640; in 1935, $133,379,312; in 1934, $122,112,406; and in 1933, $92,366,137. The butter and cheese industry, which had been flourishing for many years in the Maritime Provinces, Quebec and Ontario, was developing rapidly in the Prairie Provinces. The leather industries have long been established on a large scale, the large number of cattle raised and slaughtered providing a ready supply of hides. The tanneries are located chiefly in the eastern Provinces and no fewer than 219 boot and shoe factories were in operation in 1936, representing a total capital of about $25,318,549. Figures for 1935, 1934 and 1933, respectively, were: 217 and $24,313,445; 211 and $22,709,588; and 205 and $22,963,783. Establishments for the canning and preserving of fish are concentrated naturally upon the Pacific and Atlantic coasts. Total production of animal products in 1936 was valued at $397,955,241, compared with $351,643,587 in 1935, $325,703,683 in 1934 and $271,068,210 in 1933. Comparative figures for the leading industries in this group will be found on the preceding pages.

The Textile Industries of Canada reported an output valued at $366,285,008 in 1936, compared with $357,106,277 in 1935, $342,054,536 in 1934 and $294,715,248 in 1933. According to the Reports of the Bureau of Statistics there was a decrease in the number of textile manufacturing establishments in recent years. The number reported in 1936 was 1,897, compared with 2,151 in 1933. The capital investment in 1936 was $316,273,003 as against $322,312,247 in 1933. Salaries and wages rose from $80,695,813 in

1933 to $95,016,170 in 1936 and the number employed from 106,235 to 114,966. Cotton, yarn and cloth continued to hold first place in the textile group for gross value of production. (See "Statistics of the Forty Leading Industries of Canada"). Imports of fibres, textiles and textile products in 1936 amounted to $98,915,100; in 1935, $85,190,515; in 1934, $83,872,525; and in 1933, $70,275,087. Exports in 1936 amounted to $12,227,387; in 1935, $9,640,230; in 1934, $83,872,525; and in 1933, $70,275,087.

According to the Annual Reports for the three years, 1936, 1935 and 1934, final statistics of the manufacture of Iron and Steel and their products for 1936 showed a gross production valued at $453,385,553, for 1935, $390,228,929 and for 1934, $308,303,352. The figures for 1936, however, are not exactly comparable with previous years as the aircraft and shipbuilding industries are included in the iron and steel group for the first time. The number of plants in 1936 was 1,317; in 1935, 1,249; and in 1934, 1,255. The capital employed in 1936 was $600,424,322; in 1935, $555,144,467; and in 1934, $547,892,157. Employees in 1936 numbered 107,203; in 1935, 95,426; and in 1934, 81,782. Salaries and wages in 1936 amounted to $126,537,657; in 1935, $110,402,366; and in 1934, $88,924,168. The cost of materials at works in 1936 was $227,886,781; in 1935, $203,981,458; and in 1934, $154,055,806 (See also Table: Forty Leading Industries, p. 597). Imports of iron and steel products for 1936 showed a gain of 21 per cent. over 1935, totalling $135,359,104, while exports advanced 4 per cent. to $52,303,878. Of the exports, 24 per cent. went to the United Kingdom and 14 per cent. to the United States. Of the imports, $108,428,041 came from the United States and $21,687,639 from the United Kingdom. Imports into Canada of iron and steel and their products in 1936 totalled $135,359,104; in 1935, $112,136,244; and in 1934, $93,615,090. Exports in 1936 totalled $52,303,878; in 1935, $50,027,165; and in 1934, $37,402,314.

Automobile production in Canada in 1936 totalled 162,159 units valued at $95,955,204 at factory prices, as compared with 172,877 vehicles at $99,013,047 in 1935. The 1936 figures included 128,369 passenger cars worth $76,814,258 and 33,790 trucks valued at $19,140,946. The 1935 figures included 135,562 passenger cars valued at $79,209,276 and 37,315 trucks worth $19,803,771. Including repair parts, accessories and other products made in automobile factories, the output for the industry was valued at $105,350,035 in 1936 as against $106,624,445 in 1935. (The Automobile Statistics Report for 1935, issued by the Bureau of Statistics, stated that engines made in Canada in 1935 numbered 140,948, as compared with 83,036 in 1934 and 34,687 in 1933. Imports of engines totalled 30,893 in 1935 against 29,760 in 1934 and 26,567 in 1933). Sixteen factories were in operation in 1936 and 20 in 1935. Capital employed was $46,497,259 in 1936, as compared with $40,765,548 in 1935. Employees numbered 12,933 in 1936, with a pay-bill of $18,164,042 as compared with 13,095 and $18,797,599 in 1935. The cost of materials used was $71,201,646 in 1936 and $75,645,998 in 1935. According to the Annual Reports of the Dominion Bureau of Statistics, 9,903 cars were imported in 1936 and 4,111 in 1935, thus making available for supply a total of 172,062 cars in 1936 and 176,988 cars in 1935. Exports and re-exports aggregated 55,837 cars in 1936 and 64,621 in 1935, leaving 116,225 in 1936 and 112,367 in 1935 as the number of cars apparently absorbed by the Canadian market. Registration of cars (excluding motor cycles) in Canada amounted to 1,229,299 in 1936 and 1,165,642 in 1935. It was estimated that 52,568 cars were withdrawn from use in 1936 and 65,951 in 1935. Purchasers of cars, trucks and buses were financed in 1936 to the value of $54,859,812 and in 1935, $40,342,264. Of the 1936 total $29,887,861 was for new vehicles, numbering 42,863, and $24,971,951 for old

vehicles, numbering 94,651; figures for 1935 were $22,410,656, 31,950 and $17,931,608, 68,228, respectively. Imports of automobiles and parts in 1936 were valued at $31,809,506 against $27,328,583 in 1935. Export of Canadian cars and parts in 1936 totalled $23,093,188, and in 1935, $25,894,249.

Production of manufactures based on Non-Ferrous Metals during 1936 was $351,164,860 in value, as compared with $288,523,250 in 1935, and $237,-233,670 in 1934. The gain of 21 per cent. in 1936 was the greatest of any year on record. There were 511 plants in operation in 1936, compared with 504 in 1935 and 487 in 1934. Capital employed rose $5 millions to $266,322,074 in 1936. This item had shown a decline in the previous four years. Figures for capital employed in 1935 were $261,625,967; and in 1934, $263,488,479. Employees in 1936 numbered 36,935, compared with 33,613 in 1935, and 30,177 in 1934. The pay-bill advanced to $45,091,191 from $40,315,477 in 1935 and $35,097,986 in 1934. Materials used cost $212,783,636 in 1936, as against $174,906,971 in 1935 and $119,713,328 in 1934. Production of non-ferrous metal products is classified into 7 groups, and all but the miscellaneous group reported gains in value of production in 1936 (See Table: Forty Leading Industries, p. 597). Imports of non-ferrous metals and their products in 1936 were valued at $35,040,115, as compared with $33,614,022 in 1935 and $25,959,546 in 1934. Exports were $211,817,242 in 1936, $215,979,728 in 1935, and $25,959,546 in 1934.

Manufactures based chiefly on Non-Metallic Minerals in 1936 amounted to $194,819,078, as against $176,184,717 in 1935 and $166,786,852 in 1934. A total of 1,209 establishments operated in 1936, 21 more than in 1935 and 45 more than in 1934. Capital employed was $295,922,837, as compared with $300,455,725 in 1935 and $307,338,479 in 1934. Employees numbered 25,267, as against 23,342 in 1935 and 21,959 in 1934. The pay-bill was $30,-005,436 in 1936, in 1935 $27,425,224 and $24,905,554 in 1934. Materials used cost $101,680,729 against $88,352,072 in 1935 and $84,508,116 in 1934. Fuel and electricity, $12,717,535 against $11,368,432 in 1935 and $10,917,334 in 1934. Substantial increases were reported in all groups with the exception of the salt industry. Imports of non-metallic mineral products in 1936 totalled $115,497,181 as against $103,836,841 in 1935 and $101,994,121 in 1934. Exports were $23,974,191 in 1936; $17,899,595 in 1935; and $15,758,171 in 1934.

Final figures for the Chemical and Allied group of industries show a total production valued at $126,874,791 in 1936, $118,574,228 in 1935, and $108,052,039 in 1934. The general price level for chemical and related products in 1936 was 18 per cent. lower than in 1929, and, allowing for this factor, the calculation showed the volume greater than in any other year. Thirteen of the industries showed substantial gains in 1936. (See Table of Industries). In the whole chemical group there were 745 factories operating in 1936, 734 in 1935 and 736 in 1934. Capital invested in 1936 was $147,664,533; in 1935, $147,472,534; and in 1934, $156,788,418. Employees numbered 19,910 in 1936, 18,933 in 1935, and 17,130 in 1934. The pay-bill was $25,227,267 in 1936, $23,715,305 in 1935, and $20,919,740 in 1934. Cost of materials in 1936 was $52,482,873; 1935, $48,316,876; and 1934, $41,998,776. (About 57 per cent. of the production was from Ontario's 385 establishments, while the 227 Quebec factories produced 30 per cent. of the total). Imports of chemicals and allied products in 1936 were valued at $31,971,047, against $29,757,570 in 1935 and $28,149,508 in 1934. (Purchases from the United States in 1936 were 57.9 per cent. of the total and those from the United Kingdom, 21.3 per cent.). Exports increased in 1936 to $17,749,628 from $16,372,476 in 1935 and from $14,349,689 in 1934. About 43.7 per cent. went to the United States and 21.7 per cent. to the

United Kingdom in 1936; figures for 1935 and 1934, respectively, were 48.7 per cent. and 18.5 per cent.; 44.1 per cent. and 33.2 per cent.

Statistics of the Forty Leading Industries of Canada

1936	Capital $	Employees No.	Salaries and Wages $	Cost of Materials $	Gross Value of Products $
Non-ferrous metal smelting and refining	143,858,717	10,015	14,346,050	154,604,285	229,737,420
Pulp and paper	539,350,001	30,054	40,063,852	72,202,983	185,144,603
Slaughtering and meat packing	61,806,675	11,776	13,921,410	126,630,086	156,971,640
Flour and feed mills	61,867,287	5,685	5,542,945	90,614,236	114,617,099
Butter and cheese	60,201,575	15,545	14,772,250	80,983,372	112,712,327
Automobiles	46,497,259	12,933	18,164,042	71,201,646	105,350,035
Petroleum products	61,883,926	5,019	7,309,955	66,555,885	85,802,363
Sawmills	78,294,341	28,786	21,357,038	43,598,856	80,343,291
Electrical apparatus and supplies	79,794,524	17,037	19,501,882	30,484,468	72,288,548
Cotton yarn and cloth	71,564,646	17,910	14,218,231	37,042,911	65,635,365
Bread and other bakery products	46,108,482	19,598	17,703,572	32,124,708	65,558,437
Rubber goods, including footwear	64,600,479	11,881	11,954,016	23,598,661	62,054,808
Printing and publishing	53,273,296	17,377	24,035,719	11,967,553	58,275,911
Railway rolling stock	83,258,169	18,633	22,161,277	30,486,569	56,969,453
Clothing, factory, women's	25,114,251	18,924	15,255,725	32,706,792	56,118,773
Hosiery and knitted goods	51,398,678	19,429	15,120,277	24,360,941	49,469,140
Fruit and vegetable preparations	41,572,514	9,258	6,066,761	27,455,449	47,337,397
Primary iron and steel	92,103,774	11,138	13,830,377	21,424,052	46,636,892
Biscuits, confectionery, cocoa, etc.	39,802,756	11,201	10,101,275	22,191,155	46,051,641
Breweries	55,969,772	4,604	6,517,804	15,540,509	44,047,794
Machinery	61,206,866	10,277	12,305,422	15,761,565	41,447,473
Clothing, factory, men's	18,570,959	10,578	10,255,745	22,728,166	40,526,745
Sugar refineries	33,199,993	2,559	3,413,698	27,924,998	40,405,377
Tobacco, cigars and cigarettes	58,785,097	7,593	7,207,737	20,111,289	40,287,359
Sheet metal products	50,323,623	7,482	7,942,190	22,617,288	39,994,151
Coke and gas products	93,088,722	4,116	5,714,483	16,585,571	39,871,898
Boots and shoes, leather	25,318,549	15,961	11,622,002	18,889,035	35,543,115
Printing and bookbinding	41,738,465	12,677	14,509,486	12,404,562	35,099,335
Automobile supplies	24,730,610	6,842	7,776,726	18,453,840	33,378,508
Castings and forgings	46,429,034	10,391	11,225,938	11,524,940	31,011,884
Silk and artificial silk	34,947,643	10,189	8,877,373	10,732,371	26,930,821
Fish canning and curing	18,614,592	5,252	3,279,581	16,459,938	26,684,801
Coffee, tea and spices	13,347,535	2,086	2,364,413	19,140,291	26,412,092
Boxes and bags, paper	20,919,171	5,902	5,761,998	14,310,960	25,588,431
Brass and copper products	22,890,531	4,596	5,293,457	14,182,328	24,947,467
Furnishing goods, men's	16,626,096	9,410	6,363,980	14,743,645	24,625,615
Leather tanneries	23,627,727	4,306	4,227,441	15,394,863	23,294,210
Paints and varnishes	23,274,558	3,124	4,428,387	10,817,694	22,651,225
Medicinal and pharmaceutical preparations	20,760,912	3,857	4,797,458	7,384,370	22,251,550
Furniture	26,577,141	9,677	8,111,877	9,251,878	22,177,929
Totals, forty leading industries	2,433,298,946	443,678	457,423,850	1,335,194,709	2,364,252,923
Totals, all industries	3,271,263,531	594,359	612,071,434	1,624,213,996	3,002,403,814
Percentages of leading industries to all industries	74.4	74.6	74.7	82.2	78.7

Production and Stocks of Liquor, 1935—1936

According to the *Report on the Control and Sale of Liquor in Canada* (Dominion Bureau of Statistics) production figures on spirits and malt liquors for the calendar years 1935 and 1936 were as follows:

Production: Spirits, Malt Liquors and Fermented Wines

Fiscal Year Ended Mar. 31	Spirits* Proof Gal.	Malt Liquors Gal.	Fermented Wines† Gal.
1935	4,321,457	52,078,590	5,226,029
1936	6,553,190	57,154,948	4,380,686

*Includes non-potable as well as potable spirits.
† Figures for calendar years.

The import and export tables of alcoholic beverages do not include any estimate either of smuggling, or other illegal traffic in liquor or of quantities carried away by tourists leaving the country.

Imports into Canada of Alcoholic Beverages

Fiscal Year Ended Mar. 31	Spirits		Malt Liquor		Wines	
	Proof Gal.	$	Gal.	$	Gal.	$
1935	713,346	13,058,393	97,572	200,535	542,019	1,091,887
1936	976,563	7,209,119*	88,851	175,700	506,707	1,007,548

* The excise duty which was included in the value of distilled spirits, chiefly whiskey, imported from countries entitled to the British Preferential Tariff since the fiscal year 1920-21 is excluded as from Apr. 1, 1935.

Exports from Canada of Canadian-made Alcoholic Beverages

Fiscal Year Ended Mar. 31	Spirits		Malt Liquor		Wines	
	Proof Gal.	$	Gal.	$	Gal.	$
1935	2,205,249	13,414,386	69,994	75,450	19,948	58,109
1936	2,995,181	16,296,877	51,887	53,348	3,262	5,188

Re-exports from Canada of Imported Alcoholic Beverages

Fiscal Year Ended Mar. 31	Spirits		Malt Liquor		Wines	
	Proof Gal.	$	Gal.	$	Gal.	$
1935	45	990	302	660	1,970	8,918
1936	54	717	...	...	61	383

The Bureau of Statistics Report stated that it was not possible to obtain accurate figures on Canadian consumption of liquor. Except in Nova Scotia, Quebec, Ontario and Alberta, the Liquor Boards did not publish figures to show sales on a gallonage basis, and even were such data available they would not necessarily represent Canadian consumption. Consumption by tourists and illegal traffic in liquor were believed to be considerable in total amount. The total apparent consumption of spirits was estimated at 1,787,312 gallons in 1935 and 2,609,158 gallons in 1936. The apparent consumption of malt liquors was estimated at 52,040,186 gallons in 1935 and 57,093,342 gallons in 1936. The apparent consumption of wines, native and imported, was estimated at 3,727,553 gallons in 1935 and 3,112,248 gallons in 1936. Revenue from the manufacture and sale of liquor collected by the Dominion Government through Excise War Taxes, Excise duties, Customs duties, and Excise duties on malt amounted to $23,790,383 during the fiscal year 1935 and $20,946,576 during 1936. Separate data on Sales tax collected were not available.

Under the various liquor control systems in force in the different Provinces, the gross sales and net revenues during the years 1935 and 1936 were as follows (See also under individual Provinces):

Provinces	1935		1936	
	Gross Sales	Net Revenue	Gross Sales	Net Revenue
Nova Scotia	$3,806,835	$697,243*	$3,831,691	$996,087
New Brunswick	2,375,961	600,762	2,695,859	782,742
Quebec	11,688,510	5,209,100	12,698,163	4,868,400
Ontario	8,110,589	2,803,292†	18,530,658	8,189,816
Manitoba	4,208,701	1,086,028	4,539,694	1,293,288
Saskatchewan	5,203,864	1,028,959	5,735,355	1,280,345
Alberta	3,224,145	1,537,799	3,726,056	1,854,728
British Columbia	10,195,935	2,487,343	11,169,437	3,061,829

* The 1935 figures for Nova Scotia cover 14 months ended Nov. 30, 1935.

† The 1935 figures for Ontario cover only from Nov. 1, 1934, to Mar. 31, 1935. In addition sales of beer from breweries and brewers' warehouses totalled $9,317,288 in 1935, and $29,396,420 in 1936. Sales of domestic wine direct to customers and at branch offices amounted to $557,199 in 1935, and of native wines direct to customers from licensed native wine sales offices and, when permitted, from winery premises amounted to $1,407,932 in 1936.

Miscellaneous Industries, 1933—36

In the miscellaneous group the leading industries included mattresses and springs, scientific and professional instruments, musical instruments, fountain pens and pencils, brooms, brushes and mops. According to the Reports issued by the Dominion Bureau of Statistics there were 514 establishments in this group in 1936, as compared with 509 in 1935, 508 in

1934, and 476 in 1933. Capital investment was $36,925,946 in 1936, $63,588,796 in 1935, $67,716,376 in 1934, and $66,769,049 in 1933. Persons employed were: 10,317 in 1936; 12,170 in 1935; 12,091 in 1934; and 10,361 in 1933. Wages and salaries paid were: $10,267,909 in 1936; $12,282,480 in 1935; $12,179,382 in 1934; and $10,342,700 in 1933. Cost of materials used was $14,382,572 in 1936; $14,691,667 in 1935; $14,025,309 in 1934; and $10,269,030 in 1933. Net and gross values of products for these years were respectively: 1936, $19,378,164 and $34,401,463; 1935, $21,437,115 and $36,978,953; 1934, $21,521,517 and $36,414,643; and 1933, $17,918,605 and $28,187,635. The mattresses and springs industry led the miscellaneous group in 1936 with a gross production value of $7,404,132, as compared with $6,383,567 in 1935, $5,725,708 in 1934, and $4,860,594 in 1933. Production of scientific and professional instruments showed a steady advance in value from $4,501,981 in 1933 to $6,521,242 in 1936. Production of brooms, brushes and mops advanced from $2,713,776 in 1933 to $3,772,487 in 1936. Shipbuilding and repairs, and aircraft were not included in the miscellaneous group for 1936. The gross value of shipbuilding and repairs in 1935 was $7,291,442, as compared with $6,719,459 in 1934, and $4,521,867 in 1933. The gross value of aircraft production in 1935 was $880,699 as compared with $483,948 in 1934, and $345,217 in 1933.

Canadian Manufacturers' Association, 1935—1936

The 64th Annual General Meeting of the Association was held in Hamilton, June 5—7, 1935. The President, Mr. James H. Webb, in reviewing the previous year, said that steady improvement in economic conditions in the principal countries of the world was in evidence, and that Canada's home and world trade had benefited accordingly. He deplored the high cost of government in Canada, and said that "no other British country seems to have such an elaborate and expensive system of Government as ours." He called for "business like solution" of the railway problem in Canada. He regretted the trend toward governmental control of business, and said that balancing of budgets was more important in governmental financing than in private financing. He urged a policy of getting unemployed citizens back to work by means of increased trade at home and abroad (See also Supplement Section of this Volume). The Executive Committee reported five meetings during the year, the most important subject dealt with being the industrial and social legislation which had shown an unprecedented increase in Dominion and Provincial politics. The Empire trade agreements, the revised Agreement with France and the proposed Trade Agreement with the United States were the chief subjects dealt with by the Tariff Committee. On Apr. 30, 1935, the membership of the Association was 3,440. At the business Session on June 7, the Association adopted a Resolution to "continue to favour proper remuneration and conditions for all taking part in production, in so far as the interests of the consumers and economic laws permit." Officers elected for the ensuing year were: President, W. S. Morden, K.C., Toronto; First Vice-President, B. W. Coghlin, Montreal; Second Vice-President, F. C. Brown, Vancouver; and Treasurer, T. F. Monypenny, Toronto.

At the 65th Annual Meeting of the Association held in Quebec City, June 2—4, 1936, the President, Mr. W. S. Morden, K.C., reviewed Canada's industrial position. He pointed out that since the founding of the Association in 1870 the capital invested in Canadian manufacturing had increased from $77,964,020 to $4,703,917,730; the number of industrial employees from 187,942 to 545,162; and the annual gross value of

products from $221,617,773 to $2,533,758,954. In looking forward, he said, the influences of world trends and events should not be forgotten; Canadians should continue to take a hopeful and courageous view of the future. The Executive Committee reported six meetings during the previous year. Among the chief subjects dealt with were: trade agreements, legislation, transportation services, taxation, regulations and standards of industry. The membership for 1936 was 3,403. Officers elected for the ensuing year were: President, B. W. Coghlin, Montreal; First Vice-President, F. C. Brown, Vancouver; Second Vice-President, W. D. Black, Hamilton; and Treasurer, T. F. Monypenny, Toronto.

Canada's Trade of 1934—36

Canada advanced in relative position among the leading trading nations of the world during the calendar year of 1936, attaining fifth place in value of total trade as compared with sixth place in 1935, and eighth place in 1934. In import trade Canada moved from ninth place in the years 1934 and 1935 to eighth place in 1936 and advanced in rank as an exporting country from fifth to fourth position, being surpassed only by the United States, the United Kingdom and Germany. In total trade Canada moved ahead of Japan in 1936. Total trade figures for ten leading countries (the figures given representing millions of dollars, Canadian Currency) in 1934, 1935 and 1936, respectively were: United Kingdom, 5,376, 5,555 and 6,115; United States, 3,704, 4,302 and 4,802; Germany, 3,361, 3,414 and 3,423; France, 2,657, 2,414 and 2,500; Canada, 1,159, 1,266 and 1,638; Japan, 1,294, 1,410 and 1,567; Belgium, 1,280, 1,213 and 1,379; Netherlands, 1,167, 1,097 and 1,137; British India, 1,029, 1,082 and 1,136; and Italy, 1,094 and 1,056—1936 trade statistics for Italy were not available.

Canada's World Trade

	Fiscal Years Ended Mar. 31 (In Thousands of Dollars)		Increase (+) Decrease (—) 1936 Compared With—
MERCHANDISE	1934-35	1935-36	1934-35
Imports—			
Dutiable goods	301,246	309,933	8,687+
Free goods	221,185	252,786	31,601+
Total Imports	522,431	562,719	40,288+
Exports—			
Canadian produce	756,626	849,030	92,404+
Foreign produce	7,659	13,442	5,783+
Total Exports	764,285	862,472	98,187+
Total Trade—Merchandise	1,286,716	1,425,191	138,475+
Balance of Trade— Favourable (+) Unfavourable (—)	241,854+	299,753+	57,899+
COIN AND BULLION			
Imports	731	1,281	550+
Exports—			
Canadian produce	28	52	24+
Foreign produce	804	14,498	13,694+
Total Exports	832	14,550	13,718+
Total Trade—Coin and Bullion	1,563	15,831	14,268+
Balance of Trade— Favourable (+) Unfavourable (—)	101+	13,269+	13,168+

Merchandise and Coin and Bullion	Fiscal Years Ended Mar. 31 1934-35	1935-36	Increase (+) Decrease (—) 1936 Compared With— 1934-35
	(In Thousands of Dollars)		
Imports	523,162	564,000	40,838+
Exports	765,117	877,022	111,905+
Total Trade	1,288,279	1,441,022	152,743+
Balance of Trade— Favourable (+) Unfavourable (—)	241,955+	313,022+	71,067+

The proportion of Canada's trade in groups was as follows:

Proportion of Trade With—	1935 Imports	1935 Exports	1936 Imports	1936 Exports
	%	%	%	%
Foreign Countries	68.4	53.8	70.2	52.3
United States	56.8	43.4	58.2	40.1
British Empire	31.6	46.1	29.8	47.7
United Kingdom	21.2	37.2	19.4	39.4

Revenues from Canadian imports increased from $84,217,000 in 1935 to $87,775,500 in 1936, the highest of any year since 1931, in spite of the fact that the average duty on all imports declined to 25 per cent. in 1936 as compared with 27.4 per cent. in 1935 and 30.2 per cent. in 1932. Free imports represented 44.8 per cent. of the total in 1936 as compared with 36.3 per cent. in 1926. The average *ad valorem* rate of duty collected in 1936 was 13.8 per cent., the lowest in ten years.

Prominent factors in the expansion of world trade during 1935, according to the Annual Report of Canadian Department of Trade and Commerce issued Apr. 1, 1936, were: (1) The general economic recovery; (2) The narrowing of fluctuations in the exchange rates of various national currencies; and (3) The opening up of channels of trade by reciprocal trade agreements. During the two years Canada negotiated agreements with a number of countries, the most comprehensive being that with the United States, effective Jan. 1, 1936. The following table gives a comparison of value and volume of Canada's world trade for the calendar years of 1935 and 1936:

Value and Volume of Canada's Trade

Main Groups	Calendar Years Declared Value 1935	Declared Value 1936	Quantities 1936 Valued at 1935 Price (Volume)	Increase (+) Decrease (—) 1936 Compared With 1935 Value	Volume
	(Thousands of Dollars)				
Imports					
Agricultural and Vegetable Products	109,690	126,246	127,115	16,556+	17,425+
Animals and Animal Products	22,628	25,846	23,486	3,218+	858+
Fibres, Textiles and Textile Products	85,190	98,915	95,487	13,725+	10,297+
Wood, Wood Products and Paper	22,462	27,100	27,269	4,638+	4,807+
Iron and Its Products	112,136	135,359	130,819	23,223+	18,683+
Non-Ferrous Metal Products	33,614	35,040	39,016	1,426+	5,402+
Non-Metallic Mineral Products	103,837	115,497	112,405	11,660+	8,568+
Chemicals and Allied Products	29,758	31,971	32,160	2,213+	2,402+
Miscellaneous Commodities	31,000	39,217	38,696	8,217+	7,696+
Total Imports	550,315	635,191	626,453	84,876+	76,138+
Domestic Exports					
Agricultural and Vegetable Products	229,822	346,981	319,076	117,159+	89,254+
Animals and Animal Products	97,219	124,695	121,413	27,476+	24,194+
Fibres, Textiles and Textile Products	9,640	12,227	10,516	2,587+	876+
Wood, Wood Products and Paper	175,871	210,207	204,510	34,336+	28,639+
Iron and Its Products	50,027	52,304	50,659	2,277+	632+
Non-Ferrous Metal Products	215,980	211,817	204,893	4,163—	11,087—
Non-Metallic Mineral Products	17,900	23,974	23,330	6,074+	5,430+
Chemicals and Allied Products	16,372	17,749	17,917	1,377+	1,545+
Miscellaneous Commodities	12,453	15,251	14,816	2,798+	2,363+
Total Exports	825,284	1,015,205	967,130	189,921+	141,846+

The increase in imports was common to all the nine groups. In exports, non-ferrous metal products were the only exception to the general advance. Canada is dependent on imports in large measure for her supply of certain raw materials such as raw rubber, cotton, raw silk, sisal fibre, iron ore, bauxite, sulphur, manganese oxide, etc., and the expansion of imports in these commodities reflected increased industrial activity in the Dominion. A list of 63 commodities imported for use in Canadian industries in 1936 showed a value of $238,000,000, which represented 37.5 per cent. of the total imports for that year. The increase over 1935 was $25,000,000 or 10.5 per cent.

The above table on domestic exports showed an increase of 51 per cent. in agricultural and vegetable products for the year 1936, and this was largely accounted for by important gains in exports of wheat, barley and rye. Increases were recorded in all other products in this group with the exception of apples, malt and hay. Exports of animals and animal products increased 28.3 per cent. over 1935; among these products, fresh beef, dried and canned fish, and processed milk declined.

Canada's domestic exports to foreign countries in 1935 amounted to $433,169,000 and those of 1936 totalled $518,817,000. These figures included exports to the United States amounting to $358,570,000 in 1935 and $406,665,000 in 1936. Figures for other important countries showed big increases in 1936: Exports to Belgium advanced from $9,326,000 in 1935 to $23,013,000 in 1936; Japan, $14,916,000 to $19,750,000; Netherlands, $8,293,000 to $11,871,000; France, $7,525,000 to $10,815,000; Germany, $3,600,000 to $6,760,000; Morocco, $80,000 to $1,867,000; Czechoslovakia, $50,000 to $154,000; Greece, $6,000 to $3,504,000; and China, $4,637,000 to $4,736,000. There was a decline in exports to Spain from $1,688,000 in 1935 to $469,000 in 1936, while Argentine fell off from $3,968,000 to $3,426,000.

Canada's Domestic Exports of Forty Leading Commodities

(Calendar Years, 1929, 1935 and 1936)

Commodities	Total Domestic Exports—Calendar Years					
	1929		1935		1936	
	Quantity	Value $	Quantity	Value $	Quantity	Value $
			(000 omitted)			
Wheat ..... bus.	210,946	249,347	165,673	137,153	243,042	226,914
Newsprint paper ..... cwt.	50,310	148,866	51,500	87,924	59,862	103,640
Gold bullion, non-monetary ... oz.	.....	2,414	2,747	95,990	2,039	71,489
Nickel ..... cwt.	1,096	25,536	1,427	36,285	1,736	44,594
Planks and boards ..... m. ft.	1,755	49,354	1,337	26,051	1,750	36,858
Meats	.....	15,774	.....	24,692	.....	32,505
Copper bars, rods, etc. ..... cwt.	1	36	2,801	21,127	3,590	32,231
Wood pulp ..... cwt.	16,617	43,368	13,250	27,626	15,090	31,247
Fish ..... cwt.	4,173	34,963	3,232	23,964	3,205	24,023
Whiskey* ..... pf. gal.	2,808	26,183	2,290	12,783	5,029	22,388
Wheat flour ..... bbl.	9,574	52,749	4,881	19,001	4,850	20,639
Automobiles ..... No.	102	44,655	64	22,969	56	20,193
Raw furs	.....	22,508	.....	14,991	.....	16,889
Barley ..... bus.	16,988	12,197	7,921	4,156	18,936	14,928
Cattle ..... No.	254	13,960	134	6,863	285	12,497
Cheese ..... cwt.	929	18,504	557	6,427	819	11,347
Aluminium bars ..... cwt.	730	13,210	600	10,021	576	10,841
Lead ..... cwt.	2,444	11,101	2,942	7,161	3,307	10,401
Asbestos, raw ..... ton	292	12,635	200	6,886	294	9,959
Zinc ..... cwt.	1,685	8,710	2,968	8,211	3,246	9,315
Pulpwood ..... cord	1,295	13,315	995	7,041	1,116	8,276
Silver ore and bullion ..... oz.	21,938	11,759	18,327	11,835	16,131	7,284
Leather and manufactures	.....	8,177	.....	4,947	.....	7,153
Platinum concentrates	.....	220	.....	5,056	.....	6,842
Machinery	.....	7,147	.....	5,802	.....	6,735
Rubber tire casings ..... No.	1,747	16,386	739	6,508	706	6,709
Shingles ..... sq.	.....	7,055	2,757	7,340	2,450	6,164
Apples, fresh ..... bbl.	1,555	6,902	2,541	9,908	1,627	6,051
Farm implements	.....	19,836	.....	5,897	.....	5,992
Gold-bearing quartz, dust, etc. .oz.	.....	29,996	125	4,316	172	5,892
Fertilizers ..... cwt.	4,434	7,453	3,832	4,244	5,072	5,644

Commodities	Total Domestic Exports—Calendar Years 1929 Quantity	1929 Value $	1935 Quantity	1935 Value $	1936 Quantity	1936 Value $
			(000 omitted)			
Rubber boots and shoes .....pr.	11,610	9,738	4,731	3,566	6,482	4,728
Bran, shorts and middlings ....cwt.	3,119	4,242	3,553	3,600	4,137	4,379
Cereal foods	.....	2,421	.....	3,428	.....	4,205
Hides, raw .....cwt.	545	7,968	380	2,950	423	3,811
Electrical energy .....m.k.w.h.	1,465	4,075	1,323	3,129	1,562	3,596
Lard and compounds .....cwt.	18	222	144	1,853	300	3,473
Electric apparatus	.....	2,644	.....	2,734	.....	3,456
Oats .....bus.	7,681	4,961	14,372	5,277	8,488	3,137
Oatmeal .....cwt.	452	2,686	530	2,449	629	3,102
Total above Commodities		973,269		702,160		869,526
Total Domestic Exports		1,184,826		825,284		1,015,205

* Quantity in 1929 shown in Imperial Gallons.

Imports from foreign countries for 1935 totalled $369,446,000, and for 1936 $438,520,000, including imports from the United States in 1935 at $312,417,000 and $369,856,000 in 1936. Imports from Argentine advanced from $3,287,000 in 1935 to $10,787,000 in 1936; Belgium, from $4,678,000 to $6,138,000; Germany, $9,769,000 to $11,189,000; Japan, $3,565,000 to $4,297,000; and Czechoslovakia, $2,048,000 to $2,247,000; Greece, $41,000 to $67,000; and Morocco, $16,000 to $24,000. Imports from France declined from $6,631,000 in 1935 to $6,451,000 in 1936; the Netherlands from $4,547,000 to $4,464,000; Italy, $2,419,000 to $1,184,000; and Spain, $1,422,000 to $1,129,000.

Both imports and exports to the United States—Canada's greatest external source of supply and most valuable market—had been increasing since 1933. In 1936 there was a gain of 18.4 per cent. in imports as compared with 1935, and a gain in exports of 13.4 per cent. The following table, issued by the Dominion Bureau of Statistics in a Review of Canada's Foreign Trade for the calendar year of 1936, gives a comparative summary of trade with the United States:

Summary of Canada's Trade with the United States

	Years Ended Dec. 31 1934	1935	1936	Increase (+) Decrease (—) 1936 Compared With— 1934	1935
		(In Thousands of Dollars)			
MERCHANDISE					
Imports—					
Dutiable goods	173,428	187,320	222,398	48,970+	35,078+
Free goods	120,352	125,097	147,458	27,106+	22,361+
Total Imports	293,780	312,417	369,856	76,076+	57,439+
Exports—					
Canadian produce	301,158	358,569	406,665	105,507+	48,096+
Foreign produce	5,450	11,535	10,882	5,432+	653—
Total Exports	306,608	370,104	417,547	110,939+	47,443+
Total Trade	600,388	682,521	787,403	187,015+	104,882+
Balance of Trade—					
Favourable (+)					
Unfavourable (—)	12,828+	57,687+	47,691+	34,863+	9,996—
COIN AND BULLION					
Imports	679	824	1,051	372+	227+
Exports—					
Canadian produce	29	38	65	36+	27+
Foreign produce	580	3,346	1,369	789+	1,977—
Total Exports	609	3,384	1,434	825+	1,950—
Total Trade	1,288	4,208	2,485	1,197+	1,723—

	Years Ended Dec. 31			Increase (+) Decrease (—) 1936 Compared With—	
	1934	1935	1936	1934	1935
	(In Thousands of Dollars)				
Balance of Trade— Favourable (+) Unfavourable (—)	70—	2,560+	383+	453+	2,177—
Merchandise and Coin and Bullion					
Imports	294,459	313,241	370,907	76,448+	57,666+
Exports	307,217	373,488	418,981	111,764+	45,493+
Balance of Trade— Favourable (+) Unfavourable (—)	12,758+	60,247+	48,074+	35,316+	12,173—

Export figures in the Summary table include exports of non-monetary gold, which declined from $95,990,234 in 1935 to $71,488,985 in 1936. This decline was largely due to the fact that the Bank of Canada since February, 1936, had been holding gold earmarked to the credit of clients abroad. From February to December, 1936, the Bank of Canada had earmarked a total of 1,352,497,198 fine ounces of gold. Exports to the United States in 1936, according to the various types of concessions gained by Canada under the Trade Agreement, with corresponding figures for 1935, are shown in the following table:

Domestic Exports from Canada to the United States
(Twelve Months Ended Dec. 31, 1935 and 1936)

	1935	1936	Percentage Increase
	$	$	%
Items subject to a reduction in rate	35,723,003	59,281,878	65.9
Items bound at rate in force in 1935	3,482,351	4,751,407	36.4
Items bound to free entry	129,813,279	152,775,607	17.7
Total Above Items	169,018,633	216,808,892	28.3
Items not affected by the Canada-United States trade agreement	189,551,103	189,855,675	0.2
Total Domestic Exports to United States	358,569,736	406,664,567	13.4

Canada's trade with the British Empire for the calendar year 1936 totalled $668,777,000, as compared with $551,534,000 in 1935 and $492,485,000 in 1934. Imports for 1936 amounted to $187,656,000, as compared with $173,889,000 in 1935 and $157,067,000 in 1934. Domestic exports in 1936 totalled $481,121,000, as compared with $377,645,000 in 1935 and $335,418,000 in 1934. The following table gives the trade with ten leading countries of the British Empire in 1935 and 1936:

Canada's Trade with the Principal Empire Countries

	Imports Value of		Domestic Exports Value of	
	1935	1936	1935	1936
	(000's omitted)			
United Kingdom	$116,670	$122,971	$306,897	$399,831
Australia	7,396	8,871	22,800	26,211
British India	6,954	8,245	3,505	2,473
British South Africa	4,737	2,083	12,498	14,674
British Guiana	4,511	5,125	1,102	1,144
Jamaica	4,474	4,898	3,306	3,261
Trinidad and Tobago	2,485	2,888	2,243	2,797
New Zealand	2,787	4,574	8,493	12,486
Newfoundland	2,136	2,145	6,760	7,446
Irish Free State	83	57	3,172	3,671

Imports from Empire countries in 1936 represented 29.8 per cent. of Canada's total imports, as compared with 31.6 per cent. in 1935. Canada's imports from the United Kingdom in 1936 were valued at $122,971,000,

the highest figure since 1930; while domestic exports valued at $399,831,000 were higher than any year since 1928. A summary of Canada's trade with the United Kingdom for the calendar years 1934, 1935 and 1936 (from *The Review of Canada's Foreign Trade,* issued by the Dominion Bureau of Statistics) follows:

Summary of Canada's 1936 Trade with the United Kingdom

	Years Ended Dec. 31		Increase (+) Decrease (—) 1936 Compared With—	
	1935	1936	1934	1935
	(In Thousands of Dollars)			
MERCHANDISE				
Imports—				
Dutiable goods	56,521	58,163	2,432—	1,642+
Free goods	60,149	64,808	11,987+	4,659+
Total Imports	116,670	122,971	9,555+	6,301+
Exports—				
Canadian produce	306,897	399,831	102,577+	92,934+
Foreign produce	818	918	40+	100+
Total Exports	307,715	400,749	102,617+	93,034+
Total Trade	424,385	523,720	112,172+	99,335+
Balance of Trade—				
Favourable (+) Unfavourable (—)	191,045+	277,778+	93,062+	86,733+
COIN AND BULLION				
Imports	9	44	4+	35+
Exports—				
Canadian produce	.....	.....	.....	.....
Foreign produce	7,147	4,292	4,182+	2,855—
Total Exports	7,147	4,292	4,182+	2,855—
Total Trade	7,156	4,336	4,186+	2,820—
Balance of Trade—				
Favourable (+) Unfavourable (—)	7,138+	4,248+	4,178+	2,890—
MERCHANDISE AND COIN AND BULLION				
Imports	116,679	123,015	9,559+	6,336+
Exports	314,862	405,041	106,799+	90,179+
Balance of Trade—				
Favourable (+) Unfavourable (—)	198,183+	282,026+	97,240+	83,843+

Among the more important items of exports to the United Kingdom in 1935 and 1936, respectively, (calendar years) were: wheat, $103,805,139 and $154,872,712; bacon and hams, $19,733,529 and $25,138,590; copper and products, $14,869,327 and $23,210,674; planks and boards, $13,589,655 and $19,003,425; nickel and manufactures, $12,572,741 and $14,115,970; wheat flour, $9,292,390 and $9,934,138; cheese, $5,986,819 and $9,359,453; aluminium products, $6,139,130 and $8,249,690; zinc and products, $6,469,478 and $6,929,155; platinum concentrates, etc., $4,941,140 and $6,725,135; lead and products, $4,482,690 and $6,248,505; leather unmanufactured, $3,391,534 and $5,081,167; rubber manufactures, $3,312,402 and $4,666,958; and cattle, $428,838 and $2,897,452.

Wholesale Trade in Canada, 1935—36

According to the Census of Merchandising and Service Establishments, issued by the Dominion Bureau of Statistics, the aggregate sales of wholesale trading houses in Canada in 1936 were $1,181,543,000 as compared with $1,080,742,000 for 1935. The trend had been continually upward

since 1933, and the sales for 1936 were above those of 1931 and within 14 per cent. of the 1930 figure. The largest increases in 1936 over 1935 were industrial goods, reflecting improvement in the construction industry. Sales increases by trades were as follows: electrical, 28.3 per cent.; lumber and building materials, 24.1 per cent.; plumbing and heating equipment and supplies, 20.2 per cent.; machinery equipment and supplies, 17.6 per cent.; metals and metal works, 15.3 per cent.; and hardware, 13.8 per cent. The price index of construction materials increased by 5 per cent. between 1935 and 1936, and the hardware price index decreased 1.4 per cent. Increased sales in 1936 are said to have been due to increases in volume of goods sold rather than to changes in price levels. The farm supplies group declined 6.0 per cent. with total sales at $10,483,000 in 1936, compared with $11,153,000 in 1935. The loss in this group is said to have been due to the inculsion of figures for the sale of seeds, stocks and nursery products which fell off to a marked degree due to the steep decline in the price of clover and timothy seeds during 1936. Considerable gains were reported in staple lines of consumers' goods, while the food group rose from $444,529,000 in 1935 to $482,819,000 in 1936. Individual increases were: groceries, 7.1 per cent.; dairy and poultry products, 12.6 per cent.; fruits and vegetables, 10.3 per cent.; and meats and fish, 8.9 per cent. Other individual increases were: jewellery and optical goods, 17.1 per cent.; automotive, 11.6 per cent.; chemicals and paints, 8.6 per cent.; furniture and house furnishings, 8.1 per cent.; petroleum products, 6.1 per cent.; drugs and drug sundries, 7.4 per cent.; and tobacco and confectionery, 7.4 per cent. Coal and coke sales for 1936 totalled $55,748,000 as compared with $52,227,000 in 1935. All five economic divisions of Canada shared about equally in the improvement in wholesale trade in 1936, Ontario reported the largest 1935-to-1936 increase at 9.9 per cent., with total sales at $431,447,000; Quebec, 9.0 per cent. with $327,034,000; the Prairie Provinces, 8.8 per cent. with $230,228,000; British Columbia, 9.2 per cent. with $111,532,000; and the Maritime Provinces, 9.6 per cent. with $81,212,000.

Retail Merchandise Trade in Canada, 1935—1936

The total value of Canada's retail trade in 1936 was $2,202,202,000 as compared with $2,035,817,000 for 1935, an increase of 7.2 per cent., according to the Dominion Bureau of Statistics' Retail Merchandise Trade Report. A comparison between 1936 and 1933, the mid-depression year, showed an improvement of 23.3 per cent., although dollar sales in 1936 were still about 20 per cent. below the 1930 level. The retail price index advanced 2.3 per cent. in 1936 as compared with 0.5 per cent. in 1935. Retail trade conditions improved in all sections of Canada, British Columbia leading with a gain of 10.3 per cent. in 1936. Ontario sales were up 6.4 per cent.; Maritime Provinces, 8.2 per cent.; Quebec, 7.3 per cent.; and the Prairie Provinces, 7.1 per cent. Motor dealers reported a greater increase in 1936 over 1935 than did other lines of business, but it was pointed out that this expansion was a factor of lesser importance in raising the general level of retail trade in 1936 than in previous years. Aggregate business of motor vehicle dealers averaged 16.1 per cent. greater in 1936 than in 1935. A total of 115,759 new motor vehicles were sold for $120,049,297 in Canada in 1936, being 14.1 per cent. in number of vehicles and 18.0 per cent. in value over 1935. Hardware store sales were up 7.9 per cent. and retail dealers in lumber and building materials, 14.6 per cent. Radio and music store sales increased 11.8 per cent.; furniture stores, 10.3 per cent.; and household

appliances, 7.8 per cent. Department store sales increased 5.7 per cent., while country general stores reported 6.0 per cent. more business in 1936 than in 1935. The apparel group of stores was up 5.7 per cent. including 7.0 per cent. for men's clothing stores, 6.6 per cent. for family clothing, 4.4 per cent. for women's wear and 4.2 per cent. for shoe stores. Grocery and combination stores, combined, averaged 4.2 per cent. increase throughout the Dominion. Meat market sales advanced 3.2 per cent., the effect of the increase in meat prices being offset by the transfer of business to combination stores. Sales for the food group were as a whole up 4.3 per cent. Gains were reported of 13.9 per cent. for office, school and store supplies, 8.9 per cent. for jewellery stores, 5.9 per cent. for tobacco, 4.8 per cent. for coal and wood yards, and 4.4 per cent. for drug stores. In 1935 there were 445 chain store companies in Canada (including Government liquor stores) with 8,022 stores with sales amounting to $364,129,800 or 17.7 per cent. of the total retail trade. In 1936 the number of chains increased to 457 with a total of 8,124 stores and sales at $394,935,000 or 17.9 per cent. of the total trade. Chains in the grocery and combination field numbered 75 in 1936 and operated 2,172 stores with total sales at $107,345,900 or 33.0 per cent. of business done by all grocery and combination stores, as compared with 32.5 per cent. of the total business in 1935 with 2,151 stores and 73 companies.

The Tariff Board, 1935 and 1936

During the two years 1935 and 1936, a total of 37 References were dealt with by the Tariff Board (under the Chairmanship of the Hon. George H. Sedgewick, K.C.).

In the year 1935 the Tariff Board reported on 23 References as follows: No. 1, Wool Textiles—an application by the Government of the United Kingdom; No. 11, Boots and Shoes—an application by the Government of the United Kingdom; No. 13, Biscuits, Sweetened and Unsweetened—an application by the Government of the United Kingdom; No. 17, (Part I) Boiler Tubes—an application by Page-Hersey Tubes, Limited; (Part II) Pipe and Tube Couplings and Parts—an application by Dresser Manufacturing Company; No. 18, Ultra-Dextrine—an application by Anthes and Sons; No. 23, Brass Ingots—an application by Canada Metal Company Limited; No. 26, Silver Bearing Articles—an application by Roden Brothers Limited, by Henry Birks and Sons Limited and by International Silver Company of Canada Limited; No. 35, Wire, Coated with Zinc or Spelter—an application by Sarnia Fence Company Limited and by New Brunswick Wire Fence Company Limited; No. 40, Brass, Copper and Nickel Silver Commodities—an application by Anaconda American Brass Limited; No. 42, Hookless Fasteners—an application by Lightning Fastener Company, Limited, and by Colonial Fastener Company, Limited; No. 45, Cocoa Mats and Cocoa Matting—an application by William Goodacre and Sons; No. 46, Meat Grinders and Bone Cutters—an application by Peterboro Fox Supplies; No. 48, Caps or Cones of Paper—an application by Market Gardeners of Laval County, Quebec; No. 49, Wooden Doors—an application by the Government of the United Kingdom; No. 55, Hats and Hoods—an application by the Canadian Manufacturers' Association; No. 59, Rabbit Skins, Dressed and Dyed—an application by Hallman and Sable Limited and by Hallman and Sable Fur Dressers and Dyers Limited; No. 61, Skelp of Iron or Steel—an application by Stanley Steel Company Limited; No. 64, "Iron Chink"

Canning Machine—an application by British Columbia Packers Limited; No. 67, Cork Slabs, Boards, Planks and Tiles—an application by Insulation Bureau of Canada; No. 68, Adhesives—Meredith, Simmons Company Limited; No. 69, Dextrines—The Canada Starch Company Limited; No. 70, Diabetic Breads and Biscuits—an application by Energen Foods Company Limited; and No. 71, Cap Peaks—an application by Montreal Pocketing and Manufacturing Company, by Travers Aprons Limited and by Ottawa Paper Box Company Limited.

Probably the most important of the 1935 References was No. 1—Wool Textiles. This was an application made by the Government of the United Kingdom under the provisions of the United Kingdom—Canada Agreement of 1932. The provisions of that Agreement which affected the Tariff Board were Articles 11, 13, 14 and 15.

Under Reference No. 1, the woollen industry of the United Kingdom attempted to say that under the provisions of the Treaty, the United Kingdom was entitled to a reduction in the British Preferential rates on woollen yarns and fabrics. The findings of fact made by the Board were that, generally speaking, the then existing British Preferential rates of duty on woollen and worsted yarns and fabrics were not greater than those which Canada was entitled to maintain under the terms of the Treaty except as to some items which were adjusted by the revision of certain items which were in the main reductions of tariff rates.

References Nos. 11—Boots and Shoes; 13—Biscuits, Sweetened and Unsweetened; and 49—Wooden Doors, were also applications made by the Government of the United Kingdom under the provisions of the Treaty. In the Boot and Shoe Reference the United Kingdom boot and shoe industry failed to establish any right under the Treaty to a reduction of the British Preferential rate on boots and shoes. In Reference No. 13—Biscuits, Sweetened and Unsweetened—the applicants were able to establish that certain rates on biscuits were too high and certain duties were reduced in accordance with the terms of the Board's Report. The applicants were also successful under Reference No. 49—Wooden Doors—to have the British Preferential rate reduced on doors not exceeding 6 feet in heighth and 2 feet in width so as to make such doors free under the British Preferential.

Reference No. 40—Brass, Copper and Nickel Silver Commodities—was an application by a Canadian manufacturer for an increased duty on brass, copper, nickel silver and German silver. While this application was of Canadian origin British interests sent out a delegation to oppose the application on the ground that an increase would be contrary to the provisions of the United Kingdom—Canada Agreement. In the result they maintained that position and no change was made in the duties.

Reference No. 26—Silver Bearing Articles—was also a Canadian application but it was necessary in view of the fact that the applicants desired an increase in protection to consider the application in the light of the Articles of the United Kingdom—Canada Agreement above quoted. In the result the Board found that the existing British Preferential rate under the tariff item considered in this reference was higher than could be justified under the provisions of the United Kingdom—Canada Agreement and consequently a reduction was made in the British Preferential duty.

On References Nos. 17, 18, 23, 46, 61, 67 and 71 no tariff changes resulted.

Pursuant to the Reports on Nos. 35—Wire Coated with Zinc or Spelter; 45—Cocoa Mats and Cocoa Matting; 48—Caps or Cones of Paper; 55—Hats and Hoods; 64—Certain Canning Machines; and 70—Diabetic Breads and Biscuits, reductions were made in existing tariff rates. It may be interesting to note that in the Report of Reference No. 55—Hats and Hoods—the Board pointed out that while the protection theretofore existing might be regarded as industries not fully established that in the circumstances the new rates established should be regarded as temporary and that after a period of two or three years they should be re-examined.

In References Nos. 42—Hookless Fasteners; 59—Rabbit Skins; and 68—Adhesives, certain upward revisions resulted from the Board's Reports.

No tariff change resulted from the Report on Reference No. 69—Dextrines—but it appeared that there might be a reasonable prospect of the development of a potato starch industry particularly in New Brunswick and Prince Edward Island and that the development of that industry might readily lead to the production of dextrines from potato starch and consequently the Board made provision for a new tariff item to cover both starches and dextrines providing for certain reductions in tariff rates but prepared with a view to giving reasonable protection to dextrines manufactured in substantial quantities in Canada from potato starch produced in Canada, such changes to be put into effect by Order-in-Council if and when Council was of the opinion that the time had arrived for taking such action.

In the year 1936 the Tariff Board reported on 14 references as follows: No. 27, Hardened and Ground Forged Steel Rolls—an application by Anaconda American Brass Limited; No. 38, Artificial Silk Yarns—an application by Mr. R. P. Sparks for users; No. 39, Artificial Silk Thrown Yarn—an application by the Silk Association of Canada; No. 73, Fire Brick—an application by the Silk Association of Canada; No. 74, (Part 1) Buttons and Button Moulds—an application by Canadian Buttons Limited; No. 79, Finished Shoe Patterson—an application by Dunbar Pattern Company and by Georgette and MacDonald; No. 81, Rice for Rice Krispies—Kellogg Company of Canada; No. 82, Rhinestones, Metal Spots, Beads and Button Moulds—Pleating and Embroidery Manufacturers' Association Inc.; No. 83, Cotton Yarns, Cotton Fabrics and Artificial Silk Fabrics—the Government of the United Kingdom; No. 84, Crude Petroleum and its Derivatives—an application by the Co-operative Trading Associations of Saskatchewan; No. 85, Photographic Appliances and Equipment—an application by The Maritime Professional Photographers' Association; No. 91, Automotive Industry—a Reference by the Minister of Finance; No. 92, Paperboard Containers—an application by National Paper Box Limited; and No. 93, Furniture Industry—an application by the Furniture Manufacturers' Association.

Of the References reported on in 1936 only one was an application received from the Government of the United Kingdom, namely, No. 83—Cotton Yarns, Cotton Fabrics and Artificial Silk Fabrics. The supporters of this application were the Members of the Joint Committee of Cotton Trade Organizations and the Reference covered the whole field of the cotton industry in the United Kingdom. The Board found that on the basis of the Treaty the applicants were entitled to succeed in their claim for reductions in the British Preferential duties on cotton fabrics generally and as a result of the Board's Report the specific duties were entirely removed from the British Preferential tariff on the tariff items covering yarns and fabrics of cotton, and, in one case, that of cotton in the grey,

there was a reduction in the British Preferential *ad valorem* duty. On artificial silk the Report was an Interim Report and reduced the total amount of the British Preferential duties by doing away with a specific duty of 30 cents per lb. and increasing the British Preferential *ad valorem* from 27½ to 30 per cent.

No tariff changes were suggested in the Reports on References Nos. 73, 74, 79, 81, and 93. Reference No. 93 on the Furniture Industry was merely an Interm Report.

The tariff was revised downward as a result of Reports Nos. 27, 38, 82 and 85. The duties on Paperboard Containers were inreased in accordance with the terms of Reference No. 92. Reference No. 84—Crude Petroleum and its Derivatives—was a very extensive Report dealing with the whole field of crude petroleum and its products. No study had previously been made of the Canadian industry from its beginnings in the middle of the nineteenth century. In the result the schedules covering petroleum and its products were entirely rewritten resulting in a substantially new set-up for the industry. Effect was given by Parliament to the findings of the Board. The main result was a decrease of 1¼ cents per gallon in the duty on gasoline and, excepting some slight upward changes, a general reduction on the petroleum items. Reference No. 91—The Automotive Industry—was again a very considerable Report dealing with the whole industry in Canada. Having come to the conclusion that it was to the advantage of Canada that the industry should be retained the Board reported and on the Report of the Board certain adjustments in the tariff were made, some of which in respect of automobile parts resulted in upward revision and others in downward revision. Provision was also made for increasing after two years the Canadian content of cars manufactured in Canada as a condition of obtaining free entry of parts not manufactured in Canada. It may be said that basing its Report on the value of the industry as a Canadian industry the Report looked forward to further developments of the industry as a means of increased employment of labour in Canada and increased Canadian content. After the Reports were submitted on Crude Petroleum and its Derivatives and the Automotive Industry the Minister of Finance continued each of the References in order that the Board might keep in touch with the development of these industries.

The Board continued to exercise its jurisdiction under Part II of The Tariff Board Act which provided that the Board might deal with appeals from rulings made by the Department of National Revenue in respect of valuations, rates of duty, etc., made by the Customs Division and rulings by the Inland Revenue Division of the Department in respect of sales tax and other taxes levied under The Special War Revenue Act. In all the Board dealt with 29 appeals during the years 1935 and 1936.

Additional jurisdiction was conferred on the Board pursuant to the terms of its Act by an Order-in-Council dated July 2, 1936, under which the Board was given power to declare or find with respect to any importation whether any goods were of a class or kind made or produced in Canada within the meaning of these or similar words contained in the Customs laws and also authority and power to review the value for duty by Customs of new or unused goods under the provisions of Section 36 of the Customs Act. A further enlargement of the Board's jurisdiction was provided for as a result of the Canada-United States Trade Agreement which went into effect on Jan. 1, 1936. Section 43 of the Customs Act was amended to provide that in case of any value for duty estab-

lished under the provisions of that Section the Tariff Board was given jurisdiction to hear an appeal from any interested person attacking the necessity for the value for duty or attacking that value as being excessive. Section 43 of the Customs Act provided that where the Minister of National Revenue reported to the Governor-in-Council that goods (other than goods dutiable under the British Preferential Tariff) were being imported into Canada under conditions prejudicially or injuriously to affect the interests of Canadian producers or manufacturers the Governor-in-Council may authorize the Minister to fix the value for duty of any class or kind of such goods.

The Dominion Trade and Industry Commission

Embodying a recommendation contained in the Majority Report of the Royal Commission on Price Spreads and Mass Buying (See Section: Federal Administration and Politics) the Dominion Trade and Industry Act was passed by Parliament during the Session of 1935. The Act provided that for the time being the members of the Tariff Board should be the Commissioners; and the Chairman and Vice-Chairman of the Board should be the Chief Commissioner and Assistant Chief Commissioner respectively. The Commission, unlike the Tariff Board, which reported to the Minister of Finance, would report to the Prime Minister (by legislation in 1937, this was changed: the Commission in future would report to the Minister of Labour). As certain phases of the Act were referred to the Supreme Court of Canada to determine their constitutionality later in the year (1935) by the Mackenzie King Government (Liberal) the Commission issued no Reports for 1935 and 1936. The principal work of the Commission was by way of correspondence with the industries and individuals who took up matters which they thought came under the terms of the Act with the Commission. Conferences were held during the two years (1935 and 1936) with interested groups but problems arising were settled without legal action of any kind. In June, 1936, the Supreme Court declared the Act to be partly invalid. Subsequently, an appeal and a cross-appeal were made to the Privy Council. (On Jan. 28, 1937, the Privy Council declared the Act to be valid in its entirety.)

The Department of Trade and Commerce, 1935—1936

The Department for the two years, 1934-35 and 1935-36, had major developments to record. The Canada-United States Trade Agreement (See elsewhere) was the outstanding accomplishment of the period. A change in Ministers took place during two years, as a result of the General Election of October, 1935. The Hon. R. B. Hanson, as a member of the Bennett Cabinet, had charge of the Department until that event, following which, the Hon. W. D. Euler took over the Portfolio. As Minister, Mr. Euler played an important part in Canada's final negotiations with the United States and also in the settlement of the trade dispute with Japan. An European trip in the Summer of 1936 in the interests of his Department produced results before the end of the year, chief of which was the resumption of trade relations with Soviet Russia.

Changes in the Commercial Intelligence Service were reported during the two-year period. The office of the Canadian Trade Commissioner at Athens was closed on Oct. 1, 1934, and the territory covered by that office, including Bulgaria, Turkey and Roumania, was allocated to that of Cairo. A new office was established at Johannesburg on Jan. 1, 1935, in the centre of the gold mining area to take advantage on the expand-

ing business consequent upon the Trade Agreement of 1932. It took charge of the Transvaal, the Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique and Nyasaland. The Cape Town office retained the territory of Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius and Madagascar. During 1935-36 Trade Commissioners dealt with over 10,000 enquiries from Canadian exporters and foreign importers. They assisted in the establishment of 824 agencies and associated in the placing of business valued at $18,567,868. Of the 35 Trade Commissioner offices, 15 were within the Empire and 20 in foreign countries. Each office had an adequate staff, including in most cases an Assistant Trade Commissioner.

The volume of new tariff laws, commercial treaties, and trade regulations during the fiscal year 1934-35 kept the foreign Tariffs Division of the Department busy collecting data pertaining to these subjects. Among the changes noted were the following: under the Control of Imports Act of Mar. 24, 1934, the Executive Council of the Irish Free State issued 16 Orders establishing quotas for fixed periods on certain commodities, those of chief interest to Canada being automobiles, rubber tires and tubes, boots and shoes, and silk hosiery.

The British Preferential tariff regulations of Australia, which prescribed, either 25 per cent. or 75 per cent. as the fixed proportion of Canadian content required in Canadian manufactured goods to qualify for preference, were amended on July 24, 1934, empowering the Minister of Trade and Customs to increase the requirement for articles in the 25 per cent. category to 50 per cent. As a result the Canadian content required for motor car chassis and typewriters was increased from 25 to 50 per cent. as from Jan. 1, 1935. This change applied also to the United Kingdom.

The Department's Annual Report for the fiscal year ended Mar. 31, 1936, stated that there was no appreciable relaxation during the year of the measures adopted by many foreign countries, particularly in Europe and South America, to protect their currencies. Imports into these countries continued to be controlled not only by tariffs but by quotas, exchange restrictions, compensation agreements and other devices which tended to produce an even balance of trade and keep the total volume of trade at a level considerably below that existing prior to the depression.

The operations of the various Branches constituting the Dominion Bureau of Statistics were continued during the two years. The Census Branch preparing and publishing several bulletins on the 1931 Census. An outstanding event in connection with the Bureau in 1935-36 was the Second Conference of Government Statisticians of the British Commonwealth of Nations held in Ottawa, Sept. 13 to Oct. 9, 1935, under the Chairmanship of Dr. R. H. Coats, F.R.S.C., F.S.S. (Hon.), Dominion Statistician. The other Canadian delegates were Mr. Herbert Marshall, who acted as Secretary of the Conference, and Mr. S. A. Cudmore. Gratifying progress in the securing of uniformity of methods of compilation and presentation of Commonwealth statistics was made. A Verbatim Report of the proceedings of the Conference was issued.

Other important trade agreements were made by Canada before the end of the year 1936. In March, added trade concessions between Canada and France were effected, Canada and Hayti extended for one year in April, the Commercial *Modus Vivendi* of 1935. The amended Treaty of November, 1935, with New Zealand was extended in July, 1936. A Trade Agreement was signed at Ottawa on Aug. 12, with

Uruguay. A Convention signed between Canada and Poland on July 3, 1935, was ratified on July 31, 1936, and came into force on Aug. 15. A Provisional Trade Agreement with Germany was signed at Ottawa on Oct. 22, 1936.

Tourist Trade, 1934—1936

Canada's tourist trade is largely concerned with the United States, the traffic from that country being over 90 per cent. of the total.

The growing realization that Canada's tourist business was "a national asset worthy of the most intelligent cultivation" led to the appointment, on Apr. 26, 1934, of a Special Senate Committee to consider the possibilities of the tourist traffic and the means to be adopted by the Government for its encouragement and expansion. Following a recommendation of this Committee, "The Canadian Travel Bureau", with Mr. Leo Dolan as Director, was established in the Summer of 1934 as a Branch of the Department of Railways and Canals and charged with the duty of launching an aggressive campaign of tourist travel promotion as a national effort and in co-operation with tourist travel and publicity agencies, public and private, throughout the Dominion. The Bureau was to be assisted by an Advisory Council consisting of the Directors of Information of the various Provincial Governments, representatives of the Dominion Departments and Services interested, and members of the Executive Committee of the Canadian Association of Tourist and Publicity Bureaus.

Canada's tourist business reached its high point in 1929 when the estimated expenditures of foreign tourists within the country amounted to about $309,000,000, while the expenditures of Canadian tourists abroad totalled approximately $122,000,000. During the following depression years there was a progressive decline until the low level of $117,000,000 was reached in incoming traffic in 1933. A slight increase was reported in 1934, and during 1935 and 1936 recovery was more rapid. The total expenditures of tourists in Canada in 1936 was estimated at $255,763,000, as compared with $214,778,000 in 1935, and $145,974,000 in 1934.

Visitors to Canada are divided into two broad classes (1) those arriving *via* ocean ports and (2) those arriving *via* the United States boundary. According to the Bulletins on the Tourist Trade issued by the Dominion Bureau of Statistics, the estimated expenditures of tourists during 1934, 1935 and 1936, respectively, in the foregoing categories were as follows: tourists from overseas countries, $9,455,000, $10,117,000 and $10,466,000; from the United States, by automobile, $86,259,000, $132,162,000 and $159,473,000; and by rail and steamer, $34,260,000, $72,499,000 (including ferry, aeroplane and bus), and $85,844,000 (including ferry, aeroplane and bus). The total expenditures of motorists on tourist permits entering Canada by ports in the various Provinces in 1934, 1935 and 1936, respectively, were: Maritime Provinces, $5,033,000, $7,753,000 and $9,948,000; Quebec, $17,893,000, $28,761,000 and $33,163,000; Ontario, $55,884,000, $84,233,000 and $101,678,000; Manitoba, $1,003,000, $1,742,000 and $1,999,000; Saskatchewan, $476,000, $822,000 and $959,000; Alberta, $463,000, $791,000 and $1,039,000; and British Columbia, $5,507,000, $8,060,000 and $10,687,000.

Canadian tourists to overseas countries are estimated to have spent $14,272,000 in 1934, $16,503,000 in 1935, and $18,336,000 in 1936. Canadians visiting the United States by automobile are estimated to have spent $25,398,000 in 1934, $40,167,000 in 1935, and $43,811,000 in 1936; by rail and steamer: $13,988,000 in 1934, $34,930,000 in 1935, and $37,658,000 in

1936. Figures for 1935 and 1936 for rail and steamer include tourists by ferry, aeroplane, bus, etc.

There were 3,261,848 automobiles entering Canada for tourist purposes in 1934, 3,605,086 in 1935 and 4,074,523 in 1936.

Motion Pictures, 1934—36

According to the annual census of the Merchandising and Service Establishments, the receipts of 959 motion picture theatres in Canada in 1936 from 127,441,574 paid admissions amounted to $29,610,300, exclusive of amusement taxes, as compared with 856 theatres, 117,964,056 admissions and receipts of $27,272,500 in 1935, and 799 theatres, 107,718,000 admissions and $25,338,100 in receipts in 1934. Canada's 959 picture theatres provided an average of one theatre for every 11,500 people in the Dominion. The *per capita* expenditure in 1936 on motion pictures (exclusive of amusement taxes) was $2.70, as compared with $2.50 in 1935, and $2.36 in 1934. Salaries and wages paid to 6,519 employees amounted to $4,928,700 in 1936, as compared with 6,025 and $4,826,600 in 1935, and 5,613 and $4,289,400 in 1934. Every Province shared more or less in the general increase in paid admissions and gross receipts during 1936 over 1935 and 1934.

There were 66 film exchanges in 1936 having total receipts of $7,547,700, as compared with 61 and $6,976,100 in 1935, and 60 and $6,692,900 in 1934. Employees numbered 650 and were paid $1,008,400 in 1936; 607 and $953,700 in 1935; and 574 and $923,400 in 1934.

Receipts of picture theatres (exclusive of amusement taxes) by Provinces in 1934, 1935 and 1936, respectively, were as follows: Prince Edward Island, $85,300, $90,900 and $103,200; Nova Scotia, $946,400, $1,100-200 and $1,217,600; New Brunswick, $598,600, $704,200 and $775,400; Quebec, $5,332,400, $5,840,700 and $6,245,200; Ontario, $11,290,400, $11,717,100 and $12,888,400; Manitoba, $1,795,700, $1,935,500 and $2,007,100; Saskatchewan, $1,103,100, $1,152,800 and $1,369,300; Alberta, $1,464,000, $1,630,300 and $1,734,100; and British Columbia, Yukon and Northwest Territories, $2,722,200, $3,100,800 and $3,270,000.

The Canadian National Exhibition Association

At the 57th Annual Meeting of the Association held in Toronto, Feb. 26, 1936, the President, Col. F. H. Deacon, presided. The Report for the year stated that the attendance at the 1935 Exhibition had been 1,651,000; the total revenue, $878,989; and the operating expenses, $577,680. The sum of $182,314 was paid to the City of Toronto on debt charges and water rates. The 58th Annual Meeting held in Toronto Feb. 24, 1937, was presided over by Mr. Alfred Rogers, President, who said that the Exhibition in 1936 had again maintained the standards of leadership which had earned for it world-wide recognition. The attendance had been 1,603,000; the total revenue was $866,146; and the operating expenses, $584,228. The sum of $161,162 had been paid to the City on debt charges and water rates. The officers elected for the ensuing year were: President, Alfred Rogers; 1st Vice-President, George Brigden; and 2nd Vice-President, John Westren.

Chambers of Commerce

Owing to the Dominion General Election of October, 1935, the 10th Annual Convention of the Canadian Chamber of Commerce was postponed from September, 1935, until February, 1936, in Toronto. The

Chamber's membership, made up of 150 Boards of Trade and Chambers of Commerce in all the Provinces, had 329 sustaining members in 1936. Three meetings of the National Board of Directors had been held in Toronto: in January, 1935, in September, 1935 and in February, 1936. Fifty weekly meetings of the Executive Committee had been held also since the previous Convention. At the February meeting the Report for the sixteen months' period was read and discussed. It stated that to meet the existing economic situation in Canada the Chamber had engaged in a many-sided and constructive programme. In April, 1935, it had submitted to the Dominion Government a recommendation on unemployment relief urging the appointment of an Advisory Committee on relief administration and conditions governing relief payments. In the same month the Executive had issued a public statement expressing alarm at the effect on the national credit of threatened repudiation of contracts by governing bodies. A summary of the Price Spreads Report had been submitted to Chamber members; it was stated that replies received clearly indicated a trend of thought opposed to regimentation of business by government as was proposed by the Royal Commission's Report. As a result of the Chamber's efforts, the Report for the sixteen months' period stated that the seven nominees on its Bank of Canada slate had been elected to the Bank's Directorate with large majorities. The Report also expressed approval of the completion of the trade negotiations between Canada and the United States; it looked forward to an increasing interchange of commerce between the two countries. The principal officers elected for 1936-37 were: President, the Hon. R. C. Matthews, Toronto; Chairman of the Executive, Henry W. Morgan, Montreal; and Hon. Treasurer, M. L. Davies, Toronto.

The 37th Annual Meeting of the Maritime Board of Trade, held in Halifax, Nov. 20-21, 1935, dealt with problems of vital importance to the economic life of Maritime Canada—the tourist trade, freight rates, fisheries and national parks. Attention was focussed on the transportation question, and strong protests were registered against the initiation of competitive railway freight rates in Ontario without participation by the Maritimes. The President, Mr. R. J. R. Nelson, stated that the Maritimes were not progressing; that many factories which formerly gave employment to a great number of people had been closed and the plants centralized under the guise of lowering overhead costs. (He thought that manufacturing was too much centralized in the mid-Canada Provinces.)

At the 38th Annual Meeting of the Board, held at Charlottetown, Sept. 23-4, 1936, a Resolution was passed expressing the gravest concern at "the apparently increasing tendency, in certain quarters, to depart from the rigid honesty involving the sanctity of all contracts and obligations." The Resolution urged the Dominion Government to use their full powers to maintain the credit and standing of all Canada. The President, Dr. J. A. Clarke, reviewed business conditions during the year and said the outlook for continued advancement to prosperity was very favourable. The Hon. C. A. Dunning, Dominion Minister of Finance, addressed the annual banquet on the satisfactory financial situation in Great Britain, stressing the point that it was brought about by co-operation. The officers elected for 1937 were: President, S. G. Mooney, Perth, N.B.; Vice-Presidents, Nova Scotia, Col. J. A. MacDonald, Sydney; New Brunswick, C. Allan Beatteay, Saint John; and Prince Edward Island, H. T. Holman, Summerside.

TRANSPORTATION AND COMMUNICATION

The Railway Situation, 1935—1936

With a more general improvement in traffic returns and a more hopeful feeling respecting business conditions in Canada the railway situation during 1935 and 1936 was disarmed of the tenseness and acrimony that characterized it in 1934. While the railway problem remained almost as acute as ever, it was apparent that the Canadian National Railway System was not going to be dismembered or submerged. Before the end of 1936 control of the System's affairs was transferred from the Trustees to a Board. A live issue during the period was the reconstruction of the capital structure of the System. In 1935, cancellation of more than $1,000,000,000 of the Canadian National Railways' indebtedness and elimination of duplicate liabilities were recommended to Parliament by the official auditors of the Railways, George A. Touche and Company. On Mar. 21, A Bill appointing Messrs. Clarkson, Gordon, Dilworth, Guilfoyle and Nash as independent auditors of the National Railways, received the Royal Assent. The Hon. R. J. Manion, Minister of Railways and Canals, who had sponsored the Bill, emphatically denied statements that the independent auditors had been appointed to make continuous audits of the Railways' accounts because the official auditors had been overly frank in their report of the finances of the National System. In this connection, the Hon. C. D. Howe, Minister of Transport in the Mackenzie King Cabinet (formed in October, 1935) speaking before a Liberal group in Toronto on Nov. 26, 1936, presented arguments in favour of writing off a billion and a half dollars from the capital structure of the Canadian National Railways. "When a Company shows an operating loss at the end of the year its shareholders do not add that amount to the capitalization of the firm, but that, in effect, is what has been done with the Canadian National Railways," the Minister declared.

While the principle of co-operation was adopted by the two great Canadian railways in 1934, its application had not been attended with the expected measure of success. Plans continued to be worked out during 1935 and 1936. Sir Edward Beatty, in an address to members of the Canadian Railway Club at Montreal declared that, "The wisdom of railway co-operation was not discovered in Parliament, but by railway officers. In periods of intense competition the railways do fight—sometimes rather against their wishes; most of the time—especially in recent years—we are more interested in how to co-operate than how to score against each other. I know of nothing which has done more to prevent the great economic waste produced in North America during the past two decades by extreme and unregulated competition in transportation." Sir Edward, in protesting against the continuance of a railway policy, "which has added three billion dollars to the obligations of this Dominion," suggested an end of waste by a plan of operating the two great railways jointly and as efficiently and economically as possible. Under this plan each railway was to remain the property of its owners." The combined system he said, "should be managed by a private company since our experience with management by a company, under the direct control of the Government, has not been satisfactory." He contended that it would take five

years to complete the bringing of the railways under unified management —which he suggested, not amalgamation. Speaking before the Gyro Club in Toronto on Apr. 9, 1935, Sir Edward declared, that the Canadian National Railways could not be regarded as an honest experiment in public ownership; that it was "nothing more than a sad accident." An organized drive had been commenced, he said, to obtain a writing down of the capital obligations of the National Railways. Unless wiped out by admitted insolvency and a compromise with creditors, the liabilities created would remain a permanent part of the System's burden, he contended.

Dr. Manion (Minister of Railways and Canals) in the House of Commons on Mar. 27, 1935 (in the Budget Debate) branded as a campaign of the most vicious sort, "stories that the Conservative Government was planning amalgamation of the Canadian Pacific and the Canadian National Railways." He declared that, "such a huge monopoly as that would be a menace to the political and economic life of the nation." Before the Canadian Club (Toronto) on May 1, 1935, he said: "We have made three great railway blunders in the past and surely we are not now going to be hoodwinked into making the fourth and greatest of all blunders, in amalgamation." There was, he said, the mistake of building two railways where one would have done, combined with the mistake of taking over the Grand Trunk and Canadian Northern Railways, instead of letting them go into liquidation, and the bringing into this country of "a great showman" who wasted more than $15,000,000 a year. Speaking before the Toronto Board of Trade on Jan. 28, 1935, the Rt. Hon. R. B. Bennett (Prime Minister) said, "there would never be any solution to the railway problem in Canada so long as you have men thinking in terms of Party politics. It far transcends the importance of any political Party—it is your problem not Bennett's and not the Government's." Canada's railway difficulties had come "because in a moment of madness we thought we were a people of 50,000,000," said Mr. Bennett. "We saw a vision that turned out to be only a mirage," he added.

In an address before the Canadian Club of Montreal on Nov. 2, 1936, Mr. Howe (Minister of Transport) said: "I have every hope that before my term of office expires that the deficit on the Canadian National can be extinguished. This may sound optimistic, but nevertheless I believe that it is based on sound logic. I believe the business of the Company is definitely on the up-grade. We have had poor crops in the West, and the movement of wheat is an important factor in our railway mileage, but I have sufficient faith in Western Canada to believe this is only a temporary condition and that very shortly we will have abundant crops such as we had years ago. It is not too much to say that transportation is Canada's greatest problem, it always has been and always will be. The very economy of our country depends on cheap transportation, and at the same time the vast expanse of country, thinly settled, makes cheap transportation difficult. Nevertheless, we have had that cheap transportation, probably the cheapest of any in the world. It is not surprising that in times of depression the furnishing of cheap transportation may be a drain on the country; but nevertheless if that transportation is placed on an efficient basis, I believe, finally, it will be on a paying basis as well."

Mr. Elmer Davis of Kingston, a former President of the Canadian Manufacturers' Association, speaking before the members of the Kiwanis Club of Montreal on Nov. 5, 1936, said: "I am opposed to amalgamation whether public or private because the suggested savings are impossible if we have regard to the railways systems as a public service. I also feel that amalgamation will fail to do what it is recommended to do,

namely, remove the financial burden. The Canadian National Railways has not had an operating loss for the last ten years. The credit of Canada is placed behind the Canadian National Railways. We are committed to it. If we adopt the principle of amalgamation, we part with the only revenue-producing asset, and continue to assume the liability of interest charges. . . . My suggestion is, that the proper method of approach to our railway problem is the greatest possible co-operation consistent with the preservation of the independence of the two main railway systems in Canada, making possible the best passenger and freight service to meet the most exacting requirements."

Speaking at Moncton on Feb. 20, 1936, S. W. Fairweather, Director of the Bureau of Economics, Canadian National Railways, said: "Out of the distorted statement of the liabilities of the Canadian National has arisen the misconception of enormous annual losses. People, desiring to give public ownership a black eye by taking a crack at the Canadian National, glibly quote distorted figures hardly ever less than $100,000,000 per year and ranging upwards to truly astronomical figures obtained by Mr. Milton W. Harrison, President of the Security Owners' Association, Inc., of $200,000,000 per year. The fallacy behind these figures can best be exposed by again going back to our simple illustration of a small business. Let us suppose a man has $100,000 invested in a business and that the revenues from his business are enough to pay his wage bill, the cost of all materials used and to maintain his factory in good usable condition, paying all taxes and public charges and leave over $2,000 a year. The ordinary man would say 'My business has yielded me a $2,000 profit on my $100,000 investment,' but the man who damns the Canadian National Railways says 'Oh, no, You should have earned $6,000 on your $100,000 investment and, therefore, your plant has lost you $4,000 and your business must issue a note to you for this $4,000 loss and pay interest on it, . . .' The Canadian National Railways, from 1923 until well on into the depression in 1931, paid all its wages and materials on operating account, taxes and all items of expense except interest on invested capital, including substantial provision for depreciation and retirement of property and amortization of bond discount—in fact, all items of expense whether immediately needed in cash or not and had left over something as a return on the property investment. During the worst of the depression years, 1931, 1932 and 1933, the property just missed doing that but did provide more than sufficient to meet all its cash expenses, except interest. In 1934 a slight return on invested capital account resulted from the improvement in business conditions and the 1935 result is again somewhat better. This view of the Canadian National may be a little startling but it is the sober truth, and when I make this statement it is with no allowance for the fact that a considerable portion of the property of the Canadian National was never designed to operate for profit. The return on the total invested capital prior to the depression has ranged from 7 per cent. to 2.3 per cent. per year and, if a correction is made for the invested capital on properties not designed to be operated at a profit, the return on the balance of the property would range from 1.3 per cent. to 3.1 per cent., and mark you this, upon the total investment without the write down of one dollar representing the adjustment in the capital structure which might properly have reflected the virtual bankruptcy of the properties at the time they were taken over."

The Minister of Transport, speaking in connection with the celebration of Canada's Railway Centenary of 1936, said: "In the field of transport, as in most other callings, it will be in the long run, a case of the

survival of the fittest and most efficient, and in the present period of evolution and adjustment it will be necessary for the railways to have regard to present trends and to anticipate the future unless they are satisfied to become a gradually lessening influence in a field which was for many years peculiarly their own." At a later date, the Minister of Transport (Nov. 2, 1936) stated he had been impressed by the degree to which the railways were regulated, "as compared with the complete absence of regulation of competing forms of transport."

At Charlottetown, P.E.I., on Sept. 24, 1936, S. W. Fairweather (Director of C.N.R. Bureau of Economics) again speaking on C.N.R. affairs, declared that the gross freight revenues of the Canadian railways had been reduced $38,000,000 annually, by competition of trucks operating on the highways, and the damage to the net position of the railways was approximately $34,000,000 per year. "The railways are quite capable of adjusting themselves to new conditions," he said, "if there is a fair field and no favour. No agency, which on the average can transport freight at a cost of less than one cent. per ton mile, need have great fear of a competitive agency, whose average economic cost for transportation per ton mile, is nearly five cents. In the adjustment to changed conditions, however, our ideas regarding railways and their functions will need substantial modification. The railways were regulated in the public interest both as to rates and services and had to provide for the equalization of rates to markets over wide areas, the development of new territories, the encouragement of basic industries by freight rates, lower than commercially justifiable, and the maintenance of regular services, even in cases where there was no profit in doing so. The general principle in effect was, that the railways must take the rough with the smooth, and if it cost millions of dollars to keep a railway open during the Winter season the justification for this was that the loss could be recouped from next Summer's business." Mr. Fairweather pointed out that the highway was provided by the State and at a cost to the motor truck much less than its real cost. The trucks represented relatively small capital investments and the industry was so young that rates of wages, hours of labour and the working conditions were still in a chaotic state, but at a low level. In addition, the trucker was able to avoid the carriage of bulky and low value commodities. These, the railways often carried at a charge of less than one-half cent per ton mile. The trucker could concentrate on the high grade commodities where the charge for transportation by the railway would be from ten to fifteen cents per ton mile, and, in addition, the trucker was under no obligation to maintain a service unremunerative or seasonal in nature.

The only course of economic sanity was unification of operation of Canada's two railway systems W. T. Jackman, Professor of Transportation, University of Toronto, declared in a speech before the Canadian Club in Ottawa on Nov. 7, 1936. He could see little improvement in substitution of directors for trustees of the Canadian National Railways (See under C.N.R. sub-section). It but served to emphasize the fluctuating character of control and policy reverting, as it did, to direct instead of remote political control. In the proposed recapitalization he saw no hope, for it was admitted that this would not affect the earning power of the System. In support of his unification suggestion, Prof. Jackman remarked that financial results of pooling by the two systems had been the meagre saving of $1,600,000 in 1935, whereas the Presidents of the two roads had declared, before the Royal Commission on Railways, that unification would save $50,000,000 to $75,000,000 a year. Another advan-

tage he mentioned was that it would free the Canadian National from politics. Prof. Jackman quoted figures to show the amount of debt of the Canadian National System. "At the time these properties were taken over from their private owners in 1917—1919," he said, "the funded debt due to the public was $809,920,861 and the amount due on the Dominion Government account was $534,322,873, or a total of $1,334,243,734; but in 1935 the funded debt due to the public was $1,154,779,001 and the Dominion Government account was $1,654,693,322, making a total of $2,809,472,323. The long-term obligations of the railway, therefore, in 1935 were more than twice what they were when the roads were taken over in 1917-1919, the increase amounting to $1,475,228,588. Of this increased liability, the amount due to the Government was $1,130,370,449, of which $495,030,137 was cumulative unpaid interest on the railway deficits and the balance represented cash loans for capital expenditures, refunding and deficits. In addition, there must be taken into the account the deficits of the Eastern Lines since the passage of the Maritime Freight Rates Act, 1927, amounting to $56,957,422, together with the payment by the Treasury of $190,072,063 of cash deficits on the remainder of the System since 1932. With the increase of the Railway's capital liabilities there was also a corresponding increase of its interest liabilities. The interest on the funded debt in the hands of the public, which in 1923 was $35,041,380, had increased to $53,468,792 in 1935; while the interest on the Government advances had increased from $30,157,944 in 1923 to $35,949,677 in 1935. Combining these two interest requirements, gives a total of $65,199,324 for the year 1923 and $89,418,469 for the year 1935 or an increase of approximately 50 per cent." Since 1932, Prof. Jackman said, the total interest on the Government advances had not increased because the Government had contributed the funds to meet the cash deficits and that, therefore, the Railway's profits and loss account no longer showed the entire accumulated interests deficits.

Dr. Manion (former Minister of Railways) when asked to comment on Prof. Jackman's address, said: "Like any other Canadian, Prof. Jackman has a perfect right to come to whatever conclusion he chooses. . . . He offered no material which has not been used at least twenty times by other people."

Steam Railways in Canada During 1934, 1935 and 1936

Steam Railways in Canada reported gross earnings in 1936 of $334,768,557 as compared with $310,107,155 in 1935 and $300,837,816 in 1934. This was the third year to show an increase since 1933 when the low point was reached, according to the Reports on Steam Railways of Canada issued by the Dominion Bureau of Statistics from which these statistics have been taken. The net operating revenues for 1936, 1935 and 1934, respectively, were: $51,422,588, $46,164,256 and $48,838,149. Interest on funded and unfunded debt was reduced from $118,913,985 in 1934, to $116,789,750 in 1935 and to $112,204,371 in 1936, making the net corporate income of all railways carried to the profit and loss account a debit of $71,706,715 in 1936 as against a debit of $83,606,925 in 1935, and $81,738,164 in 1934. This included $36,428,873 interest on Government advances to the Canadian National System in 1936 and $35,949,677 in 1935. Of the 35 railways in operation in 1936, 10 failed to earn operating expenses. In comparison, there were 36 in operation in both 1935 and 1934—12 and 11, respectively, failing to earn operating expenses. During 1935 and 1934, respectively, there was also 1 railway which failed to earn

operating expenses, taxes and uncollectible revenues. During all three years under review 9 railways reported corporate losses. Capitalization in 1936 totalled $4,487,605,511, as compared with $4,460,264,309 in 1935, and $4,403,839,746 in 1934. These totals were divided as follows: stocks—1936, $915,167,863; 1935, $923,823,601; and 1934, $927,308,223; debenture stocks—$510,025,929 for each of the three years; and funded debt—1936, $3,062,411,719; 1935, $3,026,414,779; and 1934, $2,966,505,594.

The total loading of cars on all railways in 1936 was 2,478,390, an increase of 126,997 over the 1935 total. Pulpwood and other forest products were the only divisions which showed decreases. Freight traffic amounted to 26,414,113,720 revenue ton miles in 1936 as against 24,235,167,157 in 1935, and 23,320,451,031 in 1934. In 1936 revenue from freight totalled $256,083,831 as against $235,506,678 in 1935 and $227,277,477 in 1934. From an analysis of the traffic returns in 1936 it appears that wheat increased by 121,036 tons and all other agricultural products showed increases, the total being 16,995,826 tons. Animal products increased from 2,211,157 tons in 1935 to 2,431,345 tons in 1936; mine products, from 24,660,188 tons in 1935 to 26,782,690 tons in 1936; forest products, from 8,262,367 tons in 1935 to 8,301,052 tons in 1936; manufactures and miscellaneous, 18,858,764 tons in 1935 to 21,335,753 tons in 1936. In 1934 the totals were: wheat and agricultural products, 16,629,926 tons; animal products, 2,445,703 tons; mine products, 23,660,188 tons; forest products, 7,891,120 tons; and manufactures and miscellaneous, 17,409,568 tons.

Passenger traffic showed improvement with 1,726,058,974 passenger train miles in 1936, as compared with 1,584,524,044 in 1935, and 1,530,610,962 in 1934. Passenger receipts were $35,894,697 in 1936, $34,541,226 in 1935, and $34,278,621 in 1934.

The total track mileage was 56,692 at Dec. 31, 1936; 57,171 in 1935 and 56,519 in 1934. Single track mileage which had been increased from 42,270 in 1934 to 42,916 in 1935, was reduced to 42,552 in 1936. The chief reductions occurred in New Brunswick, Quebec, Ontario and British Columbia during the period under review, while Manitoba and Saskatchewan increased their mileage slightly. In 1936 two subsidiary lines of the Great Northern Railway ceased operating in Canada and the Canadian National and the Canadian Pacific accounted for practically all the remainder of the net reductions. There were 20.78 miles of new road operated during 1936, making the net miles abandoned, 385.

Employment was given by the railways in 1936 to 132,781 individuals with a payroll of $182,638,365 as compared with 127,526 employees in 1935 with a payroll of $172,956,218, and 127,326 in 1934 with a payroll of $163,336,634. Of the 81 groups of employees 65 showed increases in the average hour or daily rates in 1936 as compared with 1935. The increases and decreases were not large; the average yearly wage for all employees increasing by $19.25 or 1.4 per cent. The average hourly pay of practically all classes of employees was higher in 1935 than it had been in 1934.

The number of passengers killed in train accidents was reduced from 16 in 1934 to 10 in 1935 and to 6 in 1936, but the number of injured was increased from 417 in 1934 to 432 in 1935 and 657 in 1936. During 1936, 83 employees were killed, including 47 trainmen and 22 trackmen, and 1,293 were injured. In 1935 the number of employees killed was 43 and the number injured, 1,026; and in 1934, 43 were killed and 1,119 injured. Other persons killed in train accidents in 1936 numbered 273, including 119 at railway crossings and 154 at other places on the

track; the 1935 and 1934 totals were, respectively, 269 and 236. The highway crossing accidents in 1936 included 105 motorists killed and 266 injured. Compared with 1935 this was one less motorist killed and 53 more injured. In 1934, 63 motorists were killed and 211 injured. In non-train, or accidents in shops, freight sheds, etc., 19 persons were killed and 5,160 injured in 1936; whereas in 1935, 27 persons were killed and 4,223 injured; and in 1934, 20 persons were killed and 4,094 injured.

Freight cars in service in 1936 numbered 172,008 as against 176,760 in 1935, and 195,052 in 1934. Passenger cars showed a decrease from 7,286 in 1934 to 6,667 in 1935 and 6,643 in 1936. There were 4,747 locomotives in use in 1936 as compared with 4,795 in 1935, and 5,087 in 1936.

Locomotives consumed fuel during 1936 to the extent of 6,927,219 tons which included 6,584,233 tons of bituminous coal, 1,790 tons of anthracite, 9,908 cords of wood, 52,677,761 gallons of oil and 14,681 gallons of gasoline. The total cost was $29,689,771 or $4.29 a ton. In 1935 the consumption was 6,462 tons, costing $27,740,245 or $4.29 a ton, and in 1934, 6,418,810 tons costing $26,854,132 or $4.18 a ton. In addition, in 1936 rail motor cars used 599,839 gallons of gasoline and 375,680 gallons of oil costing $121,007, as against 602,071 and 392,255 tons, respectively, costing $127,195 in 1935. For 1934, corresponding figures were 645,425 and 377,991 tons, and $117,397.

The Board of Railway Commissioners, 1934—1936

During the calendar year 1936 the Board of Railway Commissioners held 39 public sittings as compared with 47 in 1935, and 40 in 1934. Ontario headed the list for each of the three years, with 13 sittings in 1936, 22 in 1935, and 19 in 1934; Quebec figures were 7, 9 and 1 respectively; Manitoba, 4, 1 and 3; Saskatchewan, 2, 2 and 5; Alberta, 4, 3 and 3; British Columbia, 5 in each case; Nova Scotia, 3, 4 and 2, and New Brunswick, 1, 1 and 2. In 1936 there were 96 applications heard as compared with 83 in 1935, and 92 in 1934. Of the 1,905 applications and complaints received in 1936, 94.96 per cent. were disposed of without the necessity of formal hearing. In 1935, 96.1 per cent. of the 2,114 applications had been disposed of without formal hearing, and in 1934, 94.7 per cent. of the 1,746 were so disposed of. In many instances these cases involved a great deal of investigation, however. In 1936 the Board and its officers travelled a total of 468,966 miles, an increase of 42,650 miles over the distance travelled in 1935, and of 52,269 over that of 1934. The time taken up in hearings and travelling equalled 31 out of every hundred working days in 1936 as compared with 28 for both 1935 and 1934. Twelve General Orders were issued by the Board in 1936; 18 in 1935; and 28 in 1934. One General Circular was issued in each of the three years.

In the Traffic Department 48,680 tariffs (including supplements) were received in 1936 as against 46,359 in 1935, and 40,476 in 1934. Of these the majority had to do with freight, the figures being 37,354, 35,979 and 30,656 for 1936, 1935 and 1934, respectively. The remainders were divided as follows for the three years: passenger: 7,948, 8,116 and 7,915 respectively; express: 1,628, 1,695 and 1,388; telephone: 1,670, 505 and 456; parlour and sleeping cars: 51, 32 and 39; telegraph: 21, 25 and 14; and bridge tolls: 8, 7 and 8. The Engineering Department made 321 inspections in all parts of the Dominion in 1936, as compared with

351 in 1935, and 235 in 1934. These comprised such matters as the opening of a railway for the carriage of traffic, of culverts, road crossings, subways and general inspection.

In 1936 the Operating Department received reports covering 2,772 accidents involving 3,305 casualties, of which number 333 were fatal. Corresponding figures for 1935 were 2,488, 2,850 and 315, respectively; and for 1934, 1,033, 1,345 and 152, respectively. In 1936, 122 of those killed were trespassers as compared with 130 in 1935, and 126 in 1934. Trespassers injured numbered 166 in 1936, a decrease of 6 over 1935, but an increase of 8 over 1934. Accidents at highway level crossings totalled 243, 242 and 211, respectively, the greatest number occurring at unprotected crossings in each case.

Fires attributed to railways in districts classified as forested numbered 168 in 1936, an increase of 20 over the 1935 figure. These fires burned 489 acres of young forest growth, 140 acres of merchantable timber, 514 acres of slashing or old burned lands and 225 acres of non-forested lands in 1936. Corresponding figures for 1935 were: 1,654, 539, 249 and 759 respectively, and for 1934: 9,494, 880, 466 and 1,863, respectively. Under the requirements of the Board special patrols by 1,026 employees were maintained by the railways on 7,688 miles of track in 1936, as compared with 1,034 employees and 7,732 miles in 1935, and 1,058 employees, and 7,698 miles in 1934. During 1936 the railways in co-operation with the Department of Labour of the Dominion Government, carried out extensive right-of-way clearing operations with special gangs of unemployed, recruited from relief camps.

On Jan. 19, 1935, the Board of Railway Commissioners issued a Judgment dismissing the application for lower rates on feed grains and mill feeds from the Prairie Provinces to points in British Columbia. The Board divided three to two on the decision. The application was made by Thomas Reid, M.P. for New Westminster, on behalf of the Fraser Valley Surrey Farmers Co-operative Association. Mr. Reid asked the Railways to establish the same rates on feed grains and mill feeds from the Prairie Provinces to points in British Columbia for domestic consumption as were in effect on grain and grain products for export. Under the rate schedule 100 pounds of grain or grain products was carried from Calgary or Edmonton to Vancouver for 20 cents if the product was to be exported. If, however, the grain or millfeed was to be used for feeding purposes the rate was about 40 cents per 100 pounds. (The Board, on Sept. 11, 1935, dismissed the applications of the Canadian National Railways to abandon its Elgin and Havelock division, 26 miles long, in New Brunswick.) On May 22, 1935, the Board granted the application of the Brandon, Saskatchewan and Hudson's Bay Railway Company for leave to abandon operation of its line between Brandon, Man., southerly to the international boundary, a distance of 69½ miles. With $1,000,000 at its disposal for the elimination of level crossings the Chairman of the Board announced at Ottawa on Aug. 22, 1935, that the Board would pay 70 per cent. of the cost of crossing elimination out of the fund provided by Parliament, leaving 30 per cent. to be paid by the Province, municipality or railway interested;—to date, 15 applications had been received involving an expenditure of $432,000.

The Canadian National Railways

During the year 1935 and to September, 1936, the affairs of the Canadian National Railways continued to be directed by the Board of

Trustees, appointed in December, 1933. On Oct. 1, 1936, the following Board of Directors, as provided by legislation during the 1936 Session of Parliament, was appointed by the Dominion Government: S. J. Hungerford, Chairman, Montreal; James Y. Murdoch, K.C., Toronto; Wilfrid Gagnon, Montreal; H. J. Symington, K.C., Montreal; B. L. Daly, Winnipeg; D. H. McDougall, Montreal; and R. J. Moffat, Bradwell, Sask. Mr. Daly, as representing organized labour, was selected by a vote of the employees of the System. His appointment was the first of the kind and during his term as a Director he was to retain his status as an employee on furlough.

The Annual Reports of the Canadian National Railways System for the calendar years 1936, 1935 and 1934 were presented to Parliament on Mar. 15, 1937 Mar. 23, 1936, and Apr. 2, 1935, respectively. The Report for 1936 gave the working results of the System as follows: railway operating revenues, $186,610,489; operating expenditures, $171,477,690; and net revenue, $15,132,799. As compared with 1935, the figures revealed the following increases: $13,425,987 in operating revenues, $12,551,441 in operating expenses, and $874,546 in net revenue. In 1934, operating revenues were $164,902,501; operating expenditures, $151,936,078; and net operating revenue, $12,966,423. The cash deficit for the System including Eastern Lines, together with taxes (amounting to $8,723,888 in 1936, as against $7,427,254 in 1935, and $5,562,578 in 1934), interest on funded debt held by the public, and provision for other credits and charges, less amounts not required in cash, was $43,303,394 in 1936, $47,421,465 in 1935, and $48,407,900 in 1934. Including interest on Government loans of $36,428,873 in 1936, $35,949,677 in 1935, and $35,994,578 in 1934, the net income deficit for 1936 was $92,311,037 as against $115,281,689 in 1935. In 1934 the System's net loss amounted to $89,662,352. The Report presented by the President pointed out that there had been steady improvement since the low point was reached in 1933; that the severity of the depression was gradually easing; that the effect of the economic disturbances on railway earnings might be judged from the fact that for the seven-year period, 1923-1929 inclusive, the gross revenues of the System averaged $278,024,509 per annum, while for the seven-year period 1930-1936 inclusive, the average was $183,684,870 per annum. In respect of the interest on the funded debt held by the public, the total requirement in 1936 was $49,184,623 as compared with $53,468,792 in 1935—a decrease of $4,284,169, brought about to a large extent by refunding operations at lower rates of interest. In 1934, interest on the funded debt amounted to $55,811,746.

Operating revenues for 1936 were derived from the following sources: Freight revenues—$143,664,112 as against $132,149,362 in 1935, and $124,340,036 in 1934; passenger revenues—$17,021,745 as compared with $16,653,828 in 1935, and $16,331,228 in 1934; express revenues—$8,497,630 as compared with $8,306,346 in 1935 and $8,490,214 in 1934; telegraph revenues —$4,407,427 as compared with $4,000,037 in 1935 and $4,088,297 in 1934. In 1936 revenue from hotels produced an operating profit of $160,017 after payment of taxes; in 1935 the net income was $101,770, and in 1934, $37,017. Encouraged by improving business conditions, it was decided, in 1935, to complete and furnish the Bessborough Hotel at Saskatoon. The official opening took place on Dec. 10.

The average number of employees in service with the System during the year 1936 was 78,836 as compared with 75,053 in 1935, and 74,774 in 1934. The total payroll for 1936 was $111,221,129 as compared with $104,-

861,521 in 1935, and $98,408,102 in 1934. Under the various pension plans in effect with the Canadian National Railway System, 834 employees were retired in 1936, 410 died, and the number on pension at Dec. 31, 1936, totalled 6,292, the disbursements for the year being $3,946,110; the figures for 1935 were: retired, 787; died, 227; number on pension, 3,960; and disbursements, $3,381,073. Pension disbursements in 1934 were $3,424,979.

Continued study of co-operative measures resulted, during 1936, in the abandonment of 27 miles of Canadian Pacific line between Cyr Junction and Edmundston and of 11 miles of Canadian National line between Farnham and Iberville; and further co-operative measures with the Canadian Pacific Railway were being considered at the end of 1936.

Progress was being made with the programme of air-conditioning passenger cars and the schedule for 1937 provided for the air-conditioning of 128 cars. Construction of the Senneterre-Rouyn branch line of 100 miles, entering the rich mining field in Northwestern Quebec was commenced in 1936. A new station at London, Ont., was officially opened on Sept. 1, by the Rt. Hon. Sir Percy Vincent, BT., the Lord Mayor of London.

An event of historic significance was celebrated on July 21, 1936, on the occasion of the hundredth anniversary of the opening of the first railway in Canada—the Champlain and St. Lawrence Railway—now part of the National System (See frontispiece of this Volume).

Canadian Pacific Railway Company, 1934-36

Economy, combined with increased efficiency, continued to be the policy of the Canadian Pacific Railway Company during the three years, 1934, 1935 and 1936. New methods of competition in transportation necessitated a progressive modernization of facilities, which were provided without additional cost to the passenger. The most important feature in this respect was the installation of air-conditioning equipment in cars. New, light and fast trains were designed, built and put into service in 1936. These improvements resulted in increased operation costs, which absorbed the small increase in revenue attendant upon the upward economic swing. As compared with the low point of 1933, gross earnings of the year 1934 increased by $11,273,266; in 1935, as compared with 1934, they increased by $4,135,950; and in 1936, as compared with 1935, an increase of $8,883,838 was shown. The results of railway operations during the three years, 1934-36 were as follows:

	1934	1935	1936
Gross Earnings	$125,542,955	$129,678,904	$138,562,763
Working Expenses (including taxes)	101,158,931	107,281,380	115,251,652
Net Earnings	24,384,023	22,397,524	23,311,111

Reviewing the operations of the Company for each year in his Annual Addresses to the Shareholders, the President, Sir Edward Beatty (Knighted on June 3, 1935) outlined the adverse factors affecting the earnings of the Company. Discussing the results of 1934, he stated that "it is patent that the wheat situation remains the main factor retarding a more substantial recovery in gross revenues—and, until this condition is rectified, satisfactory progress can not be assured." Referring to the number of passengers carried by rail, which had shown only moderate gain in 1934, Sir Edward declared that "this branch of the service is now providing only 20 per cent. of the total gross earnings of the Company, as compared with 30 per cent. prior to the Great War. The decline can be attributed principally to the inroads of the private motor car and, to some extent, of the motor bus in the passenger travel field. The average revenue per passenger mile decreased from 2.31 cents in 1933 to 2.19 cents in 1934.

This decrease is largely accounted for by cheap rate excursion travel, both in respect to short distance excursions and cheap rates, for limited periods, between Eastern and Western Canada. Notwithstanding the increased passenger traffic, there was a reduction in train mileage, which resulted in an improvement of 12.9 per cent. in the passenger carryings per train mile. The pooling of certain passenger services with the Canadian National Railways has aided in this performance." Operations of 1935, Sir Edward said at the Annual Meeting of the Shareholders several months after the close of that year, "reflect a progressive, though disappointingly slow return to more normal conditions. . . . It is trite to point out that your Company is dependent on the economic condition of the staple industries tributary to its lines. The increase in gross earnings is definitely traceable to improvement in mining and lumbering operations, to the increase in newsprint and petroleum production, and to more active conditions generally in manufacturing centres. The tonnage movement of mining products increased 4.2 per cent., in conformity with the expansions experienced by this industry during the year. The all-time production record achieved by newsprint producers in 1935 was an important contributory factor in the 3.4 per cent. gain in the tonnage of forest products moved over your Company's lines. The general improvement in manufacturing and miscellaneous industries was reflected in a 5.7 per cent. increase in the rail movement of their products." A year later, in discussing the Annual Report of the Company, the President said that the principal adverse factor affecting the results of 1936 was "the continuance of widespread drought conditions in Western Canada and in the Northwestern United States, which resulted not only in reduced earnings from grain and grain products, but also from many other sources. It is probable that few people have fully realized the extent of the losses in revenue to your Company which are directly or indirectly attributable to the unfavourable crop conditions of recent years." (See Supplement at end of this Volume for C.P.R. Presidential Addresses of 1935 and 1936).

In 1936, the net earnings of the Company from railway operations showed an increase of $913,587; other income, an increase of $2,053,027; and fixed charges, a decrease of $246,390. The balance of income account, available for transfer to Profit and Loss account, amounted to $6,029,183, an increase of $3,197,100. With this showing, the Directors declared a dividend on the preference stock of one per cent. for the year 1936, payable Apr. 1, 1937. At the end of 1936 there were 68,665 holders of ordinary stock and 27,656 holders of preference stock. Of the former total, 26,942 were residents of Canada; 20,483, residents of the United Kingdom and other British countries; 16,955, residents of the United States; and 4,285, residents of other countries. Of the latter total, 99 were residents of Canada; 27,220, residents of the United Kingdom and other British countries; 30, residents of the United States; and 307, residents of other countries.

The Company, after having brought down the working expenses from $189,028,332 in 1928 to $93,407,582 in 1933, reported a total of $101,158,931 for 1934, as a result of betterment in earnings. As is shown in the preceding table, further increases were incurred during the following two years. Of the increase of $7,669,508 in 1936, as compared with 1935, more than one-half of the amount was in maintenance expenses which was $4,432,378 or 10 per cent. higher than in 1935. Almost the entire increase in maintenance of way expenses resulted from the inclusion of the whole of the Company's proportion of maintenance expenditures incurred by reason of an agreement with the Dominion Government to provide work for

approximately 5,000 unemployed men transferred from relief camps which were being closed by the Government.

The average number of miles operated in 1934 was 17,242; in 1935, 17,288; and in 1936, 17,222. The total train mileage in 1934 was 34,453,837; in 1935, 34,952,519; and in 1936, 36,606,897. Passenger car mileage in 1934 was 111,850,141; in 1935, 114,069,846; and in 1936, 118,811,405. Freight car mileage in 1934 was 656,486,791; in 1935, 677,312,174; and in 1936, 726,363,015. Passengers carried in 1934 (earning revenue) were 7,592,802; in 1935, 7,423,634; and in 1936, 7,387,406. Tons of freight (all classes) carried one mile numbered 11,260,565,819 in 1934; 11,809,749,405, in 1935; and 12,784,001,125, in 1936. The average amount received per ton per mile of revenue freight in 1934 was 0.945; in 1935, 0.929; and in 1936, 0.923. Gross earnings from freight were—in 1934, $94,786,799; in 1935, $97,794,293; and in 1936, $105,439,232; from passengers—in 1934, $15,015,450; in 1935, $15,031,461; and in 1936, $15,539,338; from mails—in 1934, $3,019,697; in 1935, $3,537,456; and in 1936, $3,039,300; from sleeping and dining cars, express and miscellaneous—in 1934, $11,448,791; in 1935, $12,610,294; and in 1936, $13,267,569.

In the interests of economy the operation of a total of 120 miles of second main track on the Algoma was discontinued in 1934 and the rails and other material removed for use on other parts of the System.

In pursuance of the policy of co-operation with the Canadian National Railways measures were put into effect in 1936 (See C.N.R. summary); this resulted in a total annual saving of $1,135,000. The joint Executive Committee had approved other projects estimated to yield a saving of $527,000.

Pension disbursements in 1934 totalled $1,842,300; in 1935, $2,022,428; and in 1936, $2,233,008. During the year (1936) 389 employees were pensioned, bringing the total number of pensioners to 2,945. The Company since 1903 had been maintaining a system of voluntary pensions without contributions from the employees. Owing to changes in conditions, it became clear to the Directors that the continuance of this system would eventually impose upon the Company financial burdens which it would be unable to bear. After thorough investigation by a Committee, composed of officers of the Company and representatives of the employees, a plan was devised to provide for contributions to the fund by officers and employees of the Company. The new rules approved by the Directors were to become effective Jan. 1, 1937. Participation was to be optional for employees in the service prior to Jan. 1, 1937, but compulsory for those entering it thereafter. For all participants the rate of contribution was fixed initially at 3 per cent. of their earnings. Contributions on the part of the Company was to remain voluntary. Provision was made for the continuance of allowances to those already on pension so there would be no change in their status. The plan was to be administered by a Committee, composed of four officers of the Company and three general Chairmen of the organized classes of the employees.

In 1934, 1935 and 1936 by the issue and sale of collateral trust bonds the Canadian Pacific Railway Company was enabled to complete retirement of the $60,000,000 of Notes issued to the Canadian chartered banks in 1933 and of which the Dominion Government was a guarantor.

In 1936, the Company celebrated the Golden Jubilee anniversary of the running of the first transcontinental train. On June 28, following a re-enactment of the ceremonies which had taken place fifty years previously, a special Jubilee train pulled out of Montreal for Vancouver. It

was greeted at all important terminals by representative authorities. To commemorate the arrival of the first train at Port Moody, the original locomotive hauled cars of the early type into the station and the townspeople turned out in the costumes of the "Eighties" to welcome it. The Jubilee Year was marked by the introduction of lightweight air-conditioned trains of new design.

Changes in the personnel of the Company in 1934 included the appointment of Mr. D'Alton C. Coleman as Vice-President and Director and as a member of the Executive Committee, in succession to Mr. Grant Hall (deceased); and of Mr. Morris W. Wilson, President of the Royal Bank of Canada, as Director in the place of Mr. W. J. Blake Wilson of Vancouver (deceased). In 1935 the Hon. J. Marcelin Wilson, President of the Banque Canadienne Nationale was appointed a Director, to replace the Hon. F. L. Beique (deceased). In 1936 Mr. W. A. Black, a member of the Board since 1927 and a member of the Executive Committee since 1933, resigned and Mr. John W. McConnell was appointed as Director of the Company in his place. Mr. Ross H. McMaster was appointed to the Executive Committee.

Postal Affairs, Express Companies, and Other Traffic during 1934—1936

The Postmaster-General of Canada, the Hon. John C. Elliott, in his Annual Report for the fiscal year ended Mar. 31, 1936, showed an increase in expenditure of $1,025,785, and an increase in the net revenue of $1,259,564. The revenue for the year exceeded the expenditure by $2,407,786. This surplus would have been increased by $750,000 if the services rendered without charge to the various Departments had been paid for. The net revenue for the year amounted to $32,507,888 and the expenditures, to $30,100,101. In the latter was included $60,000 for carrying on Savings Bank business for which the Department received no remuneration. In the fiscal year 1935 the net revenue was $31,248,324 and the expenditure, $28,974,316; and in 1934 revenue was $30,367,465 and expenditure, $29,202,730.

There were 12,156 Post Offices in operation in Canada at the end of the fiscal year 1936, 148 new Offices having been opened an 61 closed. In 1935 the number of Offices in operation was 12,069, 127 new ones having been opened and 93 closed. In 1934 there were 12,035 Offices in operation, 91 new ones having been opened and 130 closed. Of the total revenue received during the fiscal year 1936, $27,341,607 was from the sale of postage stamps, post cards, etc., as against $26,303,451 in 1935 and $25,541,128 in 1934; paid on newspapers: $1,706,880 in 1936, $1,613,214 in 1935, and $1,413,148 in 1934; third class printed matter: $858,851 in 1936, $826,366 in 1935, and $755,187 in 1934; metred mail: $3,465,263 in 1936, $3,148,943 in 1935, $2,830,959 in 1934; parcels: $3,220,194 in 1936, $3,028,650 in 1935, $3,130,090 in 1934; gold bullion: $26,151 in 1936, $2,537 in 1935; commission on money orders: $1,429,147 in 1936, $1,351,456 in 1935, $1,378,302 in 1934; rents of letter boxes and drawers: $306,312 in 1936, $305,747 in 1935, $302,781 in 1934; other revenue included commission on postal notes: $266,055 in 1936, $239,248 in 1935, and $258,020 in 1934; and postage on parcels received from other countries: $849,359 in 1936, $996,876 in 1935 and $999,656 in 1934. Mail services accounted for $13,412,326 of the expenditures; salaries, $15,790,129 and miscellaneous, $97,640; in 1935 the figures were mail, $13,156,547, salaries, $14,852,610, miscellaneous, $956,154; and in 1934: mail, $13,227,481, salaries, $15,113,890, miscellaneous, $861,249. The Air Mail Service reported 1,189,982 pounds of mail carried and 852,108 miles

flown in 1936, as compared with 691,767 pounds carried and 567,970 miles flown in 1935, and 592,758 pounds carried and 513,690 miles flown in 1934.

During the year 1936, 6,730,361 postal notes amounting in value to $11,374,903 were paid, an increase in number of 958,242 and in value of $1,128,103, as compared with the previous year. The revenue derived from the sale of postal notes amounted to $144,783 and the revenue tax to $121,271, a total of $266,055. In 1934 the number of postal notes was 5,115,761 with a value of $9,247,458. The revenue derived in 1934 from the sale of postal notes amounted to $114,308 and the revenue tax to $143,712, a total of $258,020.

Express Companies

Of the four express companies operating in Canada the combined gross earnings increased from $16,592,746 in 1935 to $17,169,315 in 1936 and operating expenses from $8,960,675 to $9,414,746. Taxes were increased from $174,212 to $204,911. In 1934 the gross earnings were $16,206,171 and operating expenses, $8,473,601, making the net operating revenue $463,954. In 1936 the net operating revenue was $275,695 and in 1935, $279,158. In 1936 the companies paid $9,414,748 for operating expenses and $7,478,874 for express privileges; in 1935, $8,960,675 and $7,352,913, respectively; and in 1934, $8,473,601 and $7,268,616. Money orders, travellers' cheques and other transfer of money amounted to $63,548,920 in 1936, $54,829,082 in 1935, and $50,234,896 in 1934. Employees increased from 4,126 in 1935 to 4,293 in 1936 and total salaries and wages, including commissions and part-time wages, increased from $6,607,736 in 1935 to $6,962,413 in 1936. In 1934 employees numbered 4,043 with a payroll of $6,151,826. In 1936 the railway mileage over which express service was maintained was reduced but the motor carrier mileage increased from 744 to 862 miles. The combined systems operated over 42,192 miles of steam railways—280 miles of electric railways, 5,180 miles of steamboat lines, 861 miles of stage and motor carrier lines and 397 miles by aircraft, making a total of 48,919 miles as compared with 48,763 in 1935 and 48,267 in 1934. In addition the Canadian Pacific Express Company operated 14,227 miles of ocean mileage in 1936, 1935 and 1934, respectively.

The Canadian National Express operating over 24,104 miles of lines in 1936 employed 2,333 persons who received $3,288,748 in salaries and wages. The mileage was 24,192 in 1935, as against 24,238 in 1934. The 2,268 employees in 1935 received $3,187,543; and the 2,214 employees in 1934 received $2,957,758. For 1936, 1935 and 1934, respectively, gross receipts from operation were: $8,628,310, 8,434,763 and $8,308,856; operating expenses: $4,686,519, $4,517,589 and $4,250,554; and express privileges: $3,836,381, $3,757,069 and $3,699,833. In 1936 there was an operating income of $32,119 and net corporate income of $32,082; in 1935 these were $86,837 and $84,322, respectively; and in 1934, $274,567 and $272,517.

The Canadian Pacific Express Company operating over 33,250 miles of rail and ocean lines in 1936, 33,184 in 1935, and 33,035 in 1934, engaged 1,885 full-time employees who received $2,894,056 in wages in addition to part-time employees who were paid $640,533, making a total of $3,534,589 in 1936. Full-time employees numbered 1,790 in 1935, and 1,762 in 1934. In 1935 the Company paid out $3,294,876 to employees, and in 1934, $3,073,951. Gross receipts from operation were: in 1936, $7,926,998; in 1935, $7,560,810; and in 1934, $7,323,983. Operating expenses were $4,464,074, $4,188,676 and $3,957,341, respectively, and express privileges, $3,323,849, $3,278,996 and $3,288,386, respectively. There was an operating income

in 1936 of $78,751 and a net corporate income of $78,757. In 1935 the net corporate income was $70,164 and in 1934, $72,787.

The Northern Alberta Railway, operated by the Department of Railways, reported receipts from operation in 1936 of $121,068, less express privileges of $65,893, and operating expenses of $38,940, showing net operating revenue of $15,926. In 1935 and 1934, respectively, the receipts from operation were $107,027 and $107,800; express privileges, $59,132 and $61,596; operating expenses, $47,895 and $32,736; and operating revenue, $11,474 and $11,984.

The Railway Express Agency, operating mainly over Canadian sections of United States Railways, reported for 1936, 1935 and 1934, respectively, gross receipts of $492,938, $490,145 and $465,531; express privileges of $253,749, $257,716 and $218,801; operating expenses of $225,210, $218,296 and $232,970; and net operating revenue of $13,978, $14,133 and $13,759.

Electric Railways, 1934—1936

Electric Railways in Canada carried 614,890,897 passengers during 1936, an increase of 14,162,584 passengers over the 1935 figure of 600,728,313 and as against 595,143,903 in 1934, according to the Reports of Statistics of Electric Railways issued by the Dominion Bureau of Statistics. Revenues increased from $40,442,320 in 1935 to $41,391,927 in 1936 and net revenue available for dividends and reserve from $6,932,715 to $7,480,451. In 1934 the total revenues of all systems amounted to $40,048,136; and the net operating revenues to $12,011,382 as against $12,433,307 in 1935 and $12,584,651 in 1936. Operating expenses were $28,807,311 in 1936, $28,009,013 in 1935 and $28,036,753 in 1934. There were 37 electric railways carrying passengers in 1936 and 9 of them in the larger cities carried 88 per cent. of the traffic. The Montreal system carried 32.3 per cent. of the total and the Toronto system 25.1 per cent. The mileage of main track in operation on Dec. 31, 1936, was 1,800 as against 1,826 in 1935 and 1,850 in 1934. The number of employees on the various systems in 1936 was 14,280 with a payroll of $18,958,832, as against 14,381 and payroll of $18,649,517 in 1935 and 14,544 and payroll of $18,546,750 in 1934. At the end of 1936 the capitalization of all the systems was $205,062,353 as compared with $207,191,039 in 1935 and $198,127,371 in 1934. The 1936 total consisted of $36,727,740 in stocks and $168,334,613 funded debt. For 1935 corresponding figures were $36,827,740 and $170,363,299; and for 1934, $39,851,230 and $158,276,141, respectively.

During 1936 for the third time since the beginning of the century no passengers were killed (the other years with clean records were 1933 and 1927) and only 1,503 passengers were injured as compared with 1,517 in 1935 and 1,666 in 1934. There were two employees and 41 other persons killed and 280 employees and 651 other persons injured in accidents in 1936. In 1935 one passenger, two employees and 61 other persons were killed and 2,557, injured. In 1934 four passengers, two employees and 49 other persons were killed and 2,679, injured.

The Montreal Tramways Company operating under the supervision of the Montreal Tramways Commission during the calendar year 1936 carried on tramways 176,491,538 revenue passengers as compared with 175,114,739 in 1935 and 177,183,586 in 1934. The company carried on autobuses in 1936, 22,135,369 revenue passengers as compared with 20,776,032 in 1935 and 20,436,590 in 1934. The increase in the number of passengers carried in 1936 in tramways and autobuses over 1935 was 2,736,136 or 1.40 per cent. The gross revenue in 1936 amounted to $12,505,830 and

total expenses to $13,107,295, leaving the deficit for the year at $601,465 or $45,826 less than in 1935, in which year gross revenue was $12,364,531, and expenses, $13,011,823. In 1934, gross revenue was $12,363,281, and expenses $13,037,616. The net income available to the Company after paying bond interest, exchange and other charges was $635,972 in 1936, as compared with $634,501 in 1935, and $634,838 in 1934. Of these amounts $630,000 was paid in dividends each year, leaving $5,972, $4,501 and $4,838, respectively, to be added to the surplus of the Company. The Company operated 301 miles of single track in 1936 as against 319 in 1935 and 318 in 1934. Officers of the Company were Mr. Julian C. Smith, President; Mr. R. N. Watt, Vice-President and Managing Director; Mr. W. C. Finley, Vice-President; Mr. K. B. Thornton, General Manager; and Mr. Patrick Dubee, Secretary-Treasurer. The members of the Commission were: Mr. Victor Cusson, Chairman; Mr. J. A. Savoie, Vice-Chairman; and Mr. W. I. Bishop.

The Toronto Transportation Commission, of which Mr. W. C. McBrien was Chairman; Mr. S. J. McMaster, Vice-Chairman, and Mr. F. L. Hubbard, Commissioner, operated street railway, island ferries and bus services for the owners, the City of Toronto. The Report for the calendar year 1936 stated that 150,135,192 passengers had been carried in that year as against 148,715,656 in 1935 and 150,826,100 in 1934. The Company's peak year was in 1929 when 206,822,836 passengers were carried. The revenue for 1936 was $10,650,096 as against $10,516,795 in 1935 and $10,570,097 in 1934. Operation and maintenance cost $6,488,398 in 1936; $6,367,958 in 1935, and $6,417,077 in 1934. After providing for fixed charges and reserves of $4,153,279, the balance of income carried to accumulated surplus in 1936 was $8,417 as compared with $7,754 in 1935 and $6,720 in 1934. Car mileage operated in 1936 by street cars and buses, excluding motor coaches, totalled 23,419,660, an increase of 34,770 over the mileage of 1935. The car mileage in 1934 totalled 23,747,583. Although for the fifth successive year the amount of net income was insufficient, after paying the annual interest and sinking fund charges, to provide the full appropriation estimated to be necessary for depreciation and amortization, the Commission in 1936 was obliged to transfer only $6,340 for this purpose, from accumulated operating reserves. The withdrawals from reserves to meet full depreciation and amortization in 1935 were $122,282 and in 1934, $174,298. At the end of 1936 the Commission owned 878 passenger street cars, a total of 71 having been retired from service during 1936 and not replaced, as compared with a net decrease of 3 during 1935. During the years 1936, 1935 and 1934, respectively, the Commission also owned the following: electric service cars: 89, 96 and 96; motor buses and coaches: 194, 186 and 180; motor trucks: 33, 29 and 29; and motor snow plows: 12, 10 and 10. The Gray Coach Lines, Limited, operated by the Commission separately from the City services, reported gross income in 1936 of $970,264 as against $920,865 in 1935 and $883,484 in 1934. Operation expenses in 1936 were $677,968 as against $658,462 in 1935 and $635,079 in 1934. In 1936 the income available for reserves and dividend was $292,295, as compared with $262,402 in 1935 and $248,404 in 1934. After paying yearly dividends of $50,000 to the Commission in 1934, 1935 and 1936, there was income available for reserves and surplus of $198,404 in 1934, $212,402 in 1935 and $242,295 in 1936. The Transportation Commission operated either street railway or bus transportation facilities in nine adjoining municipalities under special agreements which imposed no financial obligations on the Commission or the City of Toronto.

The Winnipeg Electric Company, operating Electric, Railway and Gas Utilities, reported that the railway earnings in 1936 were $6,638,495 and expenses, $3,274,844, leaving a net operating income of $3,363,651. In 1935 the earnings were $6,352,338; expenses, $3,090,111; and net operating income, $3,262,226. In 1934 earnings from operation were $5,155,062; expenses, $3,249,066; and net income, $1,905,996. In 1935 a financial readjustment of the Winnipeg Electric and Associated Companies was reached and became effective in 1936. The earnings of the Company in 1936 were sufficient to pay all operating expenses, provide for depreciation and taxes and pay all bond interest. The Company was able to do this through the sacrifices made by the bondholders and other security holders in pursuance of the Plan of Reorganization. The number of passengers carried increased somewhat over the 3 years, totalling 37,771,653 in 1934, 38,880,815 in 1935, and 40,390,213 in 1936.

Increased earnings were reported by the British Columbia Electric Railway Company, Limited, serving the cities of Vancouver, Victoria and New Westminster and adjoining municipalities with street railway transportation. Passengers carried in the fiscal year ended June 30, 1936, numbered 67,381,447, as compared with 64,455,164 in 1935. Freight tonnage was 298,225 in 1936 and 215,119 in 1935. There was an increase in the passenger revenue of 4.7 per cent. over 1935, partly due to the greater number of passengers carried and partly to the fact that an additional 279,000 car miles were operated in 1936.

Nova Scotia Light and Power Company Limited reported that during the calendar year 1936, the Tramways carried 9,253,262 revenue passengers as compared with 9,519,930 in 1935 and 9,561,320 in 1934. The average fare during the three years was 5.74 cents. The total revenue in 1936 from the various departments of the Company, including tramways, light and power, gas and steam heat, was $1,989,855, an increase of $61,178 over 1935 when revenue was $18,150 greater than in 1934. The operating expenses in 1936 were $1,372,071, as against $1,333,281 in 1935 and $1,262,900 in 1934. The balance carried to surplus in 1936 was $482,744; in 1935, $385,149; and in 1934, $366,999.

The Ottawa Electric Railway Company carried 21,179,180 passengers in 1936, as against 20,928,638 in 1935 and 21,454,313 in 1934. The gross revenue of the Company in 1936 was $1,326,291, as against $1,303,203 in 1935 and $1,330,405 in 1934. Operating expenses (before deduction of depreciation and income and capital taxes) were $882,371 in 1936, $893,368 in 1935 and $907,362 in 1934. The return on capital investment was $254,674 in 1936, $230,546 in 1935 and $239,673 in 1934, leaving the profit carried to surplus $132,192 in 1936, $124,262 in 1935 and $138,126 in 1934.

In 1936 the Calgary Street Railway, municipally owned and operated, had revenue amounting to $649,112 and expenditures of $701,482, leaving a deficit of $52,369 as against a deficit of $78,660 in 1935 and $78,505 in 1934. There were 10,192,927 passengers carried in 1936, 10,079,281 in 1935 and 10,253,189 in 1934.

The Street Railway Department of the City of Edmonton reported total earnings in 1936 of $682,638 and total expenses of $664,744, leaving net surplus of $17,893; 1935 receipts were $662,419; expenses, $630,400, and surplus, $32,081; and 1934 receipts, $621,872, expenses, $598,096, and surplus, $23,776.

In Regina the municipal street railway carried 5,199,890 passengers in 1936, 4,767,489 in 1935 and 4,172,516 in 1934. The total expenses were

$355,142 in 1936, $349,411 in 1935 and $345,134 in 1934. The revenues were $280,964 in 1936, $260,434 in 1935 and $239,634 in 1934, leaving deficits as follows: 1936, $74,178; 1935, $88,977; and 1934, $105,500.

The Quebec Railway, Light and Power Company carried 14,530,494 passengers in 1936 as against 13,982,347 in 1935 and 14,283,105 in 1934. The gross revenue in 1936 was $1,094,972 and the expenses, including percentage of tramway earnings payable to the City of Quebec of $35,530, totalled $1,147,867, leaving an operating deficit of $52,895 which, with $224,004 from the previous year, made a deficit of $276,900.

Motor Transportation and Highways, 1934—1936

According to the Report of the Dominion Bureau of Statistics (Transportation and Public Utilities Branch) the total number of motor vehicle registrations in Canada in 1936 was 1,240,124, as against 1,176,116 in 1935 and 1,129,532 in 1934. There was an increase over 1935 of 64,008, or 5.4 per cent., in the total number of motor registrations for 1936. Yukon Territory showed the greatest rate of increase, 14.1 per cent. and the others were Saskatchewan, 7.9 per cent.; British Columbia, 7.8 per cent.; Prince Edward Island, 7.3 per cent.; New Brunswick, 7.0 per cent.; Quebec, 6.4 per cent.; Manitoba, 6.1 per cent.; Nova Scotia, 5.1 per cent.; Ontario, 4.6 per cent.; and Alberta, 3.8 per cent.

The average number of persons per motor vehicle was 10.6 in 1936, 11.0 in 1935, and 11.4 in 1934. In the various Provinces the number of persons per motor vehicle in 1936, 1935 and 1934, respectively, was: Prince Edward Island, 12.1, 10.8 and 12.4; Nova Scotia, 11.6, 12.0 and 12.5; New Brunswick, 13.0, 13.7 and 14.6; Quebec, 17.0, 17.9 and 18.2; Ontario, 6.3, 6.5 and 6.7; Manitoba, 9.5, 10.1 and 10.1; Saskatchewan, 9.1, 9.8 and 10.2; Alberta, 7.9, 8.1 and 8.6; British Columbia, 7.1, 7.5 and 7.9; and Yukon Territory, 13.3, 15.2 and 16.1. Almost half the motor vehicles in Canada were in the Province of Ontario, which headed the list with 590,226 in 1936, 564,076 in 1935, and 542,245 in 1934. Quebec followed with 181,628 registrations in 1936 as against 170,644 in 1935 and 165,526 in 1934; British Columbia had 106,079, 98,411 and 92,021; Saskatchewan, 102,270, 94,792 and 91,461; Alberta, 97,468, 93,870 and 89,369; Manitoba, 74,940, 70,660 and 70,430; Nova Scotia, 46,179, 43,952 and 41,932; New Brunswick, 33,402, 31,217 and 29,094; Prince Edward Island, 7,632, 8,231 and 7,206; and Yukon Territory, 300, 263 and 248.

The revenue collected by the Provinces in 1936 from registrations of motor vehicles, operators, taxes, etc., amounted to $26,493,922, as against $23,090,978 in 1935 and $21,567,830 in 1934. The receipts from the gasoline tax amounted in all Provinces to $34,532,436 in 1936, $31,532,645 in 1935, and $29,054,853 in 1934. Revenue from the gasoline tax by Provinces for 1936, 1935 and 1934, respectively, was as follows: Prince Edward Island, $200,854, $178,687 and $174,485; Nova Scotia, $1,760,209, $1,422,542 and $1,303,046; New Brunswick, $1,149,129, $1,006,421 and $852,199; Quebec, $6,272,064, $5,666,442 and $5,127,448; Ontario, $16,049,857, $15,021,994 and $13,828,051; Manitoba, $2,051,200, $1,795,900 and $1,770,900; Saskatchewan, $1,951,834, $1,862,300 and $1,715,053; Alberta, $2,380,088, $2,048,272 and $1,960,349; and British Columbia, $2,717,201, $2,530,087 and $2,323,322.

Total revenue from registrations, etc., and gasoline tax was $61,026,358 in 1936, $54,623,623 in 1935 and $50,622,683 in 1934. Total gross sales of gasoline amounted to 624,115,851 gallons in 1936, 573,618,272 in 1935 and 534,779,002 in 1934.

There were 1,313 deaths reported from motor vehicle accidents in 1936 as against 1,224 in 1935 and 1,115 in 1934. The average number of deaths per 10,000 registered vehicles in 1936 as against 1935 and 1934, respectively, was 10.59, 10.42 and 9.82 for the Dominion; 9.17, 2.43 and 6.94 for Prince Edward Island; 12.56, 12.97 and 9.78 for Nova Scotia; 12.27, 12.81 and 17.87 for New Brunswick; 20.43, 18.40 and 16.62 for Quebec; 9.54, 10.12 and 9.74 for Ontario; 7.07, 7.50 and 5.82 for Manitoba; 4.60, 4.21 and 3.28 for Saskatchewan; 7.39, 4.79 and 6.83 for Alberta; and 9.52, 10.47 and 8.91 for British Columbia. Cities reporting the largest number of fatal accidents in 1936, 1935 and 1934, respectively, were: Montreal, 110, 109 and 101; Toronto, 80, 74 and 88; Vancouver, 36, 43 and 25; Hamilton, 23, 16 and 27; Windsor, 22, 25 and 14; Ottawa, 21, 25 and 19; and Winnipeg, 19, 24 and 19.

At the end of 1936 there were 99,350 miles of surfaced roads in Canada as against 96,403 miles in 1935 and 93,642 miles in 1934. The total of all roads open for traffic in Canada was 410,448 miles in 1936, as against 410,808 in 1935 and 409,269 in 1934. By Provinces the mileage open for traffic in 1936, 1935 and 1934, respectively, was: Prince Edward Island,* 3,712, 3,651 and 3,651; Nova Scotia,* 14,825, 14,825 and 14,783; New Brunswick, 11,614 for the three years; Quebec, 34,834, 34,999 and 35,149; Ontario, 70,897, 69,257 and 68,675; Manitoba, 34,377, 34,732 and 34,389; Saskatchewan, 154,350, 155,754 and 155,700; Alberta, 62,802, 62,847 and 62,834; and British Columbia,* 23,037, 23,129 and 22,474. Classified according to the type of road, the figures for Canada for 1936 as compared with 1935 and 1934, respectively, were: earth, not surfaced, 311,198, 314,405 and 315,627 miles; asphalt, 713, 492 and 0; bituminous concrete, road mix, 1,953, 1,069 and 272; bituminous concrete, plant mix, 368, 1,877 and 1,549; bituminous macadam, 3,219, 1,433 and 3,214; portland cement concrete, 2,030, 1,997 and 1,906; waterbound macadam, 1,549, 1,539 and 1,655; oil-treated gravel—crushed stone, 889, 3,124 and 481; gravel—crushed stone, 88,229, 84,656 and 84,467; and other surface, 400, 216 and 98.

The total expenditures for 1936 were $57,531,978 (exclusive of Prince Edward Island, for which no Report was received). In 1935, total expenditures were $66,902,988, as against $67,026,260 in 1934. The total Provincial highway debts outstanding at the end of the Provinces' fiscal years were: 1936, $507,992,172; 1935, $492,290,334; and 1934, $462,182,328. On these amounts the annual carrying charges were $28,376,832 in 1936, as against $25,587,461 in 1935 and $22,854,691 in 1934.

The Gazette, Montreal, Mar. 2, 1936, published the following: "No permits for truck operations in the Province of Quebec will be granted in future by the Quebec Public Service Commission unless a Commission inquiry fully proves that such operations are necessary or useful for the convenience of the public. Discovery by the Commission, following searching investigation, that in Quebec to-day there are 4,200 persons or companies operating trucks for hire, whereas in Ontario, where the population is denser and where the roads are open to truck traffic for a longer period each year, there are no more than 2,100 operators, making use of 4,700 trucks, has prompted the Commission's decision." At Brandon, Man., on the ground that the southwestern portion of the Province was well served by transportation facilities, all applications for bus or truck franchises from that quarter were turned down by the Municipal and Public Utility Board on Mar. 2, 1936. Railways of Canada and the United States before

* NOTE.—Since no Reports were received from Prince Edward Island, Nova Scotia and British Columbia for 1936, the 1935 figures have been inserted.

the Quebec Public Service Commission presented strong opposition to the promiscuous granting of automobile, bus and trucking rights in competition with railways. Piling up before the Commission were demands on the part of trucking interests seeking the right to undertake passenger and freight transport between varied Quebec cities, towns and villages. Opposing the claims were the Canadian National Railways, the Canadian Pacific and the rail lines of the United States entering Canada, notably the Delaware and Hudson Railroad, the New York Central Railroad and the Rutland Railroad.

The Twenty-Second Annual Convention of the Canadian Good Roads Association was held in Charlottetown, Prince Edward Island, Sept. 1—3, 1936, and a comprehensive programme of lectures and papers concerning motor transportation and highways was presented. Means of reducing the appalling toll of highway accidents were discussed at length. Mr. Theodore G. Morgan of Montreal, speaking as Chairman of the Executive of the Royal Automobile Club, declared that the time had come for more drastic measures to be adopted. The driver of a motor vehicle should be taught that he should not pass another car on a hill or curve, that he should use caution at railway crossings and highway intersections, that he should observe the white line and keep to his own side of the road at a curve, that excessive speed would not be tolerated, and that he should not dare to touch the wheel of a car while under the influence of liquor. Mr. Morgan said more highway cycle patrols were needed. Rigid and more uniform methods must be applied to the issuing of drivers' licences and the driver must be made to understand that for any serious infraction of the traffic regulations he will not only lose his licence but the use of his car as well. The following resolution moved by Mr. Morgan was adopted by the Association: "Resolved: That for the purpose of ridding the highways of irresponsible, reckless and intoxicated drivers and to materially reduce the appalling number of road fatalities and serious accidents and the huge losses represented by damage to property, the members of this Association, in Annual Convention assembled, would recommend for study by the incoming Executive Committee the immediate formation of an interprovincial highway traffic committee whose duty it should be to study and recommend ways and means for the effective regulation of traffic throughout the highways of the Dominion of Canada." The officers elected for the ensuing year were: Honorary President, the Hon. G. Shelton Sharp; President, the Hon. A. S. MacMillan; First Vice-President, the Hon. Frank M. MacPherson; Second Vice-President, the Hon. T. B. McQuesten; Third Vice-President, the Hon. François J. Leduc; Secretary-Treasurer, Mr. George A. McNamee, Montreal.

The Fourth Annual General Meeting of the Canadian Association of Tourist and Publicity Bureau was held in Ottawa Nov. 28, 1935. The President, Mr. G. F. C. Poussette, stated that the volume of Canada's tourist business during 1935 showed a healthy gain in comparison with 1934. Mr. Poussette expressed the warm appreciation of the Association for the added impetus given and valuable work carried out by the Canadian Travel Bureau during its first active season. At the Fifth Annual General Meeting of the Canadian Association of Tourist and Publicity Bureaux held in Niagara Falls, Ont., Nov. 23, 1936, the President, Mr. D. Leo Dolan, expressed thanks that at the solicitation of the Association the Federal Government had again seen fit to hold Thanksgiving on Monday rather than on a mid-week day. Legislation permitting returning Canadians to bring in $100.00 worth of merchandise free of duty had been put into effect early in the year and the arrangements had worked

out satisfactorily. It was pointed out that Canada, in 1936, had enjoyed the most profitable tourist business since the year 1929. The President estimated it had reached a volume in monetary value of approximately $275,000,000. During the year the Association had been successful in combating the proposal to impose a tax on radios in tourists' automobiles. An interesting development of the 1936 season was the three motorcades composed of British motorists which had been brought over for tours in Canada and the United States under the sponsorship of the Junior Car Club of London. The growing work of the Canadian Travel Bureau was highly commended. Officers were elected as follows: Honorary President, Mr. D. Leo Dolan; President, the Hon. Joseph Bilodeau; First Vice-President, Mr. J. Hambleton; Second Vice-President, Mr. C. C. Bonter; Third Vice-President, Mr. D. W. Griffiths; and Secretary-Treasurer, Mr. George A. McNamee, Montreal.

Canadian Harbour Affairs, 1934—1936

With the proclamation of the National Harbours Board Act on Oct. 1, 1936, the National Harbours Board assumed jurisdiction over all Government Harbours. During the first nine months of the 1936 period separate corporations existed for each of the harbours, the Commissioners in each case being three officers of the public service at Ottawa, namely: Messrs. E. Hawken, A. E. Dubuc and B. J. Roberts. The Commissioners of the Board at the end of 1936 were: R. O. Campney, Chairman; A. E. Dubuc, Vice-Chairman and Engineer; and B. J. Roberts, member. According to the Report of the Board, the number of vessels arriving and departing from the harbours of Halifax, Saint John, Chicoutimi, Quebec, Three Rivers, Montreal and Vancouver for the calendar year 1936 was 73,038, as compared with 69,866 in 1935, an increase of 3,172 or 5 per cent. The net registered tonnage of the vessels was given as 67,316,144 tons in 1936, as against 63,365,130 tons in 1935, an increase of 3,951,014 tons or 6 per cent. The volume of cargo tonnage landed and embarked by vessels arriving and departing was 27,770,875 tons for the calendar year 1936, as compared with 24,436,046 tons in 1935, an increase of 3,334,829 tons or 13 per cent.

Operating revenues in 1936 for all ports amounted to $8,030,600, as compared with $7,427,454 in 1935, an increase of $603,146 or 8.1 per cent. Operating and maintenance expenses aggregated $4,494,713 in 1936, as against $4,975,755 in 1935, a decrease of $481,042 or 9.7 per cent. After taking into account miscellaneous income, the net amount available for interest and depreciation was $3,601,346, as compared with $2,473,261 in 1935, an increase of $1,128,085, or 45.6 per cent. After provision for interest replacement reserves, etc., the net income deficit for 1936 was $5,876,582. Cash deficits of $14,934 at Halifax, $20,141 at Saint John, $212,802 at Quebec, $1,840 at Chicoutimi and $443,000 for the Jacques Cartier Bridge, Montreal, were paid to the Board out of the Consolidated Revenue Fund of Canada.

Montreal

At the Port of Montreal, the calendar year 1936 was notable for expansion in almost all branches of harbour activity. For the eighth successive year import tonnage increased. Exports were greater than in 1935 by almost one million tons while coastwise and local tonnage also recorded substantial gains. The net result was that total commodity tonnage movement through the Port set a new high record of 13,117,754 tons, surpassing the former peak year of 1928. Income on revenue account

in 1936 was $4,238,836, as compared with $4,041,830 in 1935 and $3,566,508 in 1934. Operating and maintenance expenses were $2,209,179 in 1936 as compared with $2,394,976 in 1935 and $2,246,909 in 1934. After setting aside $742,500 as reserve for replacements and charging interest due the Dominion Government the net income deficit for the year 1936 was $1,263,654.

The Port was used in 1936 by 1,168 transatlantic ships of 4,393,308 net registered tons and 5,285 coastwise vessels of 5,177,517 registered tons. The net registered tonnage of 9,570,825 in 1936 was the largest in the history of the Port since 1928. In 1935 the number of vessels was 5,725 and the registered net tonnage, 8,516,042, and in 1934 there were 5,557 vessels and net tonnage, 8,313,026. The total tonnage of merchandise handled in 1936 was 13,177,754, as compared with 11,654,426 in 1935 and 11,325,805 in 1934. The total import grain tonnage in 1936 was 517,453, as against 420,415 in 1935 and 300,151 in 1934. The export grain tonnage was 1,893,932 in 1936, as compared to 1,175,685 in 1935 and 1,136,405 in 1934. There was a noticeable increase in the imports of foreign corn in 1936. In 1935 a total of 56 ocean ships brought 302,825 tons of such grain to the Port with most of it for forwarding to United States destinations. In 1936, 294,925 tons of foreign corn reached the Port.

Cargo tonnage by commodities showed: agricultural products, 3,171,148 tons in 1936 and 2,469,478 tons in 1935; animal products, 195,412 tons in 1936 and 138,529 tons in 1935; mine products, 6,376,037 tons in 1936 and 6,010,935 tons in 1935; forest products, 119,534 tons in 1936 and 105,825 tons in 1935; manufactures and miscellaneous, 3,255,623 tons in 1936 and 2,929,809 tons in 1935. Of the totals, anthracite contributed 1,520,705 tons in 1936, 1,536,288 tons in 1935 and 1,440,344 tons in 1934; bituminous coal, 2,072,694 tons in 1936, 1,939,330 tons in 1935 and 2,147,606 tons in 1934; gasoline, 724,716 tons in 1936 and 707,601 in 1935; crude oil, 2,312,186 tons in 1936 and 2,103,956 in 1935; petroleum oils, 576,136 tons in 1936 and 402,408 in 1935. In 1936 the imports of crude oil were 2,065,811 tons and of gasoline, 151,147 tons. Harbour tonnage totalled 13,117,754 tons in 1936; 11,654,426 tons in 1935; and 11,325,805 tons in 1934. In 1936, passenger traffic on ocean ship totalled 87,076; in 1935, 87,871; and in 1934, 80,297.

The personnel of the Harbour Commission of Montreal was as follows: 1935—Messrs. E. Hawken (President), A. E. Dubuc, B. J. Roberts. In October, 1936, when the National Harbours Board Act became operative, Mr. Alexander Ferguson was appointed Port Manager, and Mr. J. A. Duchastel, Assistant Port Manager.

Vancouver

The Port of Vancouver was entered in 1936 by 19,745 ships of all classes having a net tonnage of 11,915,092. In 1935 ships entering the Port totalled 18,288 with a net tonnage of 11,212,292, while in 1934 the arrivals totalled 16,970 with a net tonnage of 11,488,452. In 1936 the Port was entered by 18,498 coastwise ships of 6,960,735 net tons and by 1,247 deep-sea ships of 4,954,357 net tons; in 1935 by 15,544 local coastwise ships of 4,790,426 tons, by 1,621 foreign coastwise ships of 1,895,397 net tons, and by 1,123 deep-sea ships of 4,526,469 net tons; in 1934, by 14,252 local coastwise ships of 4,658,897 net tons, by 1,507 foreign coastwise ships of 1,933,323 net tons and by 1,211 deep-sea ships of 4,896,232 net tons. Cargo tonnage, foreign and coastwise, through the Harbour of Vancouver in 1936 totalled 7,766,114, showing an increase over 1935 of 1,426,478 tons and over 1934 of 1,506,533 tons. There was a substantial increase in tonnage

for the following Canadian commodities in 1936: grain, canned fish, chemical fertilizer, fishmeal, fresh apples, scrap metal, canned milk, pulp and paper, fir doors, lumber, logs and piling. Total waterborne imports amounted to 3,879,919 tons, as against 3,205,188 tons in 1935 and 3,056,068 in 1934. As in other years the chief source of import cargo was the United States Pacific coast. Waterborne exports in 1936 amounted to 3,886,195 tons as against 3,134,448 tons in 1935 and 3,203,513 in 1934. The export grain traffic totalled 61,451,705 bushels in 1936, as against 46,494,516 in 1935 and 51,584,055 in 1934. The 1936 exports of paper comprised 56,054 tons of newsprint, 14,677 tons of other paper and 10,840 tons of pulp, as compared with 47,687 tons of newsprint, 5,756 tons of kraft and 9,379 tons of pulp in 1935. In 1934 the figures were: newsprint, 47,415 tons, kraft, 8,091 tons and pulp, 23,889 tons. Fish exports in 1936 totalled 75,357 tons, as against 25,670 tons in 1935 and 24,814 tons in 1934. Exports of apples totalled 15,955 tons in 1936; in 1935, 227,838 boxes of apples were exported, as against 171,033 boxes in 1934. Operating revenues for 1936 totalled $1,792,981 and operating expenses, $718,997, leaving a total income of $1,088,092, including $14,108 interest on investments. With a reserve of $250,000 for replacements and a reserve of $6,357 for bad debts, and $1,180,898 interest due the Dominion Government, a net income deficit of $349,162 was left. Passengers arriving at the Port of Vancouver from deep-sea vessels totalled 12,954 in 1936, 10,111 in 1935, and 8,951 in 1934. Passengers from coastwise steamers numbered 466,882, 383,477 and 388,723 for 1936, 1935 and 1934, respectively. The personnel of the Vancouver Harbour Commission at Apr. 30, 1936, was: Messrs. Edwin Hawken (President), Arthur E. Dubuc and Bennett J. Roberts. K. J. Burns was made Port Manager under the National Harbours Board.

Halifax

During 1936 the number of vessels entering and departing from Halifax Harbour was 6,094, as compared with 5,907 in 1935 and 5,513 in 1934. The total cargo tonnage in 1936, foreign and coastwise, amounted to 2,140,458 tons, exclusive of 125,636 tons for cross harbour movements and bunkering which formerly were included in the returns. The cargo tonnage in 1935 was 2,195,829 and in 1934, 2,096,205. Cargo tonnage in 1936 was adversely affected by a decrease in wheat exports which occurred in the first three months of the year and by a reduction in the exports of fresh apples. With respect to grain received at Halifax Harbour it was shown that the total receipts of grain at Halifax Harbour were 3,604,135 bushels in 1936.

Operating revenues for 1936 amounted to $510,179, exceeding those of 1935 by $9,243 (1934 revenue was $471,234). Operating and maintenance expenses for 1936 were $433,040 being below those of the preceding year by $71,811. After payment of interest due the public there resulted a cash deficit of $14,934. The net income deficit for the year was $686,665 after charging reserve for replacements, reserve for bad debts and interest due the Dominion Government.

Saint John

The Report for Saint John Harbour gives the number of sea-going vessels arriving in the Port in 1936 as 568 with a net tonnage of 1,617,181. In addition there were 1,395 coastwise ships with a net tonnage of 804,465. In 1935, 554 sea-going ships arrived in the Port with a net tonnage of 1,636,654, and 1,405 coastwise vessels with a net tonnage of 716,136. In 1934, 557 sea-going vessels entered the harbour with a net tonnage of

1,705,335 and 1,494 coastwise ships with a net tonnage of 796,628. Shipments of general cargo through the Port both exports and imports exceeded all previous years since 1927 when the harbour facilities came under Dominion authority. Cargo tonnage in 1936, overseas and coastwise, totalled 1,724,361, as compared with 1,428,715 in 1935 and 1,465,824 in 1934. Grain exported exceeded all years since 1929, 12,311,139 bushels being exported, as compared with 6,803,820 in 1935 and 6,586,845 in 1934. Operating revenues for 1936 amounted to $367,448, exceeding those of 1935 by $44,493. Operating and maintenance expenses were $256,380, showing a decrease from 1935 of $16,480. After payment of interest on securities in the hands of the public there was a cash deficit of $20,141. The net income deficit for the year was $919,977 after charging reserve for replacements and interest due the Dominion Government.

Quebec

Vessels arriving at the Port of Quebec in 1936 totalled 3,146, with a net tonnage of 4,260,178. Similar figures for the number of vessels for 1935 and 1934 were not available. In 1935 the tonnage was 4,699,652, as against 4,626,796 in 1934. Cars handled by the Terminal Railway in 1936 numbered 18,474 as compared with 16,907 in 1935, and 17,033 in 1934. The marked increase in the tonnage of agricultural products shipped in 1936, was largely accounted for by the quantity of grain received and shipped, which totalled 13,233,653 bushels in 1936, as compared with 7,489,683 bushels in 1935 and 15,394,591 bushels in 1934. The total cargo imports in 1936 were 1,315,319 tons and exports were 540,823, as compared with 687,516 tons of exports and 246,862 tons of imports in 1935, and 821,882 and 337,296 tons, respectively, in 1934. Passenger traffic was divided almost evenly between inward and outward passengers during the three years; the totals were: 1936, 87,716; 1935, 83,614; and 1934, 85,604. Operating revenues in 1936 totalled $482,542 exceeding those of the previous year by $16,067. Operating and maintenance expenses totalled $673,838, a reduction of $107,920 as against 1935. The cash deficit for 1936 was $212,802 and the net income deficit, $1,589,457.

Chicoutimi

The Report respecting the Harbour of Chicoutimi showed cargo tonnage in 1936 totalling 84,734 tons as compared with 46,315 tons in 1935. The increase was largely accounted for by larger importations of coal, which totalled 51,479 tons, as compared with 25,795 tons in the previous year. The number of vessels arriving in the Port in 1936 was 205; the total net tons being 43,118, as against 173 vessels in 1935 with a net tonnage of 36,394. Operating revenues for 1936 amounted to $21,307 and operating expenses to $18,639. The cash deficit for the year was $1,840 and the net income deficit, $210,445.

Toronto

In 1936 Toronto Harbour received 2,726 vessels with a net tonnage of 3,268,442, as compared with 2,810 vessels in 1935 with a net tonnage of 3,295,897, as against 2,751 vessels in 1934 with a net tonnage of 3,440,994. Cargo tonnage inward reached 3,221,999 in 1936, as compared with 3,018,882 in 1935 and 3,440,994 in 1934. Receipts of the various commodities were as follows: Grain: 1936, 20,207,000 bushels; 1935, 11,091,000 bushels; and in 1934, 13,642,000 bushels; oil: 1936, 192,370,000 imperial gallons; 1935, 181,270,000 imperial gallons; and in 1934, 176,976,000 imperial gallons; coal: 1936, 1,631,551 tons; 1935, 1,385,156 tons; and in 1934,

1,329,980 tons. In 1936 the coal shipments were received as follows: Anthracite—Scotch, 12,840 tons; Welsh, 226,237 tons; United States, 19,712 tons; European other than British ports, 37,734 tons; and French-Indo China, 24,386 tons. Bituminous coal—Nova Scotia, 94,018 tons; Great Britain, 3,686 tons; and United States, 965,752 tons. Shipments in 1936 were received as follows: Upper Great Lakes *via* Welland Ship Canal, 1,109,696 tons; Great Britain, Canada and other countries *via* Montreal, 468,278 tons; Lake Ontario Ports, 53,577 tons. The ship carrying the largest cargo entering Toronto Harbour in 1936 was the *Stadacona* of the Canada Steamship Lines with 11,604 tons of coal. Toronto Elevators Limited completed a 2,000,000 bushel addition to their plant in 1934 making the total elevator capacity of Toronto Harbour, 4,700,000 bushels. Vessel registrations numbered 495, of which 220 were sailing vessels in 1935, and 516 with 223 sailing vessels in 1934. The Harbour Commissioners were: J. E. Ganong (Chairman), George W. Porter, P. J. Mulqueen, B. J. Miller and Thomas Rennie.

Sea and River Port Trade

Canada's imports from overseas countries *via* the United States have steadily declined in recent years, especially from the British Empire, according to the condensed Preliminary Report on Trade of Canada, 1935-36 compiled by the Dominion Bureau of Statistics for the Department of Trade and Commerce. This decrease had resulted, the Report stated, from (1) general propaganda to utilize Canada sea and river ports; (2) additional concessions to goods imported under the British Preferential tariff if imported direct; and (3) provision in trade treaties and agreements negotiated with foreign countries that goods must be imported direct in order to obtain the full benefits of special rates of duty. There was an increase in imports from overseas countries *via* the United States during the fiscal year 1935-36, as compared with similar imports in 1931-32 of $1,321,940; the decrease in the imports from the British Empire amounting to $617,258, while from foreign countries the increase was $1,930,198. The imports *via* the United States in 1935-36 were greater than for the past four fiscal years. An analysis of Canada's import trade showed: United Kingdom *via* the United States: 1934-35, $73,048; 1935-36, $97,120; other British Empire *via* United States: 1934-35, $620,643; 1935-36, $147,994; foreign countries *via* United States: 1934-35, $4,666,637; 1935-36, $6,037,144.

The exports from Canada *via* the United States to overseas countries showed a decided decrease during recent years, although there was an upward trend in the fiscal year 1935-36 compared with the fiscal years 1931-32 to 1934-35. The proportions of Canada's exports *via* the United States for the fiscal year 1934-35 amounted to 17.28 per cent. and 1935-36 18.43 per cent. From 1931-32 to 1935-36 the proportion of the Dominion's exports to United Kingdom *via* the United States decreased from 25.53 per cent. to 16.55 per cent.; while the exports to other Empire countries *via* the United States increased during this period from 10.09 to 19.27 per cent.; and to foreign countries from 12.19 to 24.45 per cent. When adjustments are made for the re-routing of Canadian barley, oats, rye and wheat from United States lake ports, *via* the St. Lawrence route for ocean shipment at Canadian sea or river ports, chiefly Montreal, it will be found that the proportions of Canada's exports to overseas countries *via* the United States will be considerably decreased and those *via* Canadian sea or river ports increased by a similar amount. The total value of commodities exported to overseas countries *via* the United States in 1935-36 was $25,856,104 greater than the fiscal year 1931-32.

Expenditure on the Hudson Bay Railway to Mar. 31, 1936, amounted to $33,605,776 including deficits in operation. On the terminals at Churchill the total expenditure was $13,694,420. Including the $6,274,217 previously expended at Port Nelson the total outlay connected with this work amounted to $53,574,419 as at Mar. 31, 1936. This did not include the expenditures of the Department of Marine in providing aids for navigation of Hudson Bay and Strait. During the fiscal year 1936, the expenditure on capital account on the railway was $158,539 and on the Churchill terminal, $121,240. In addition, the Government expended $189,307 in the operation of the Port terminals, including the grain elevator, and provided $239,702 to meet the deficit in the operation of the railway. The operating revenues of the railway in 1935 amounted to $498,977 of which sum $438,561 was from freight, $38,272 from passenger services and $21,124 miscellaneous. The tonnage handled during the calendar year 1935 was 88,580, as compared with 141,017 during 1934.

Canada's Canals in 1935 and 1936

According to the Report of the Dominion Bureau of Statistics for the calendar year ended Dec. 31, 1936, the freight passing through the Canadian canals reached a grand total of 21,467,296 tons, as compared with 18,205,989 tons in 1935. Canadian vessels carried 88.80 per cent. of the total in 1936 and 89.11 per cent. in 1935. The totals were apportioned as follows in 1936 and 1935, respectively: Sault Ste. Marie, 2,278,236 and 1,932,047 tons; Welland Ship canal, 10,436,803 and 8,953,383; St. Lawrence, 8,288,524 and 6,873,655; Chambly, 79,731 and 44,219; St. Peters, 56,257 and 54,592; Murray, 4,906 and 4,921; Ottawa, 261,493 and 289,526; Rideau, 15,604 and 20,426; Trent, 24,047 and 14,157; and St. Andrew's, 23,215 and 19,063. In the figures submitted for the St. Lawrence Great Lakes system an effort was made, as in other years, to eliminate duplication. Large quantities of grain from Lake Superior ports were unloaded at Port Colborne and reshipped from there to Montreal or other St. Lawrence ports. Such shipments were shown as using the Sault Ste. Marie canals and also as using the St. Lawrence and Welland canals down-bound. The total tonnage shipped from ports between Sarnia and Port Colborne to points below Prescott amounted to 1,617,990. Consequently, this net tonnage was reduced about 700,000 tons for freight using two or more canals which had been loaded and reloaded en route. Canadian and United States vessels used the locks on both sides of the river at Sault Ste. Marie without the payment of tolls or restrictions so that the elimination of duplication was not feasible. On the Sault Ste. Marie Canadian and United States canals in 1936 the total tonnage was 69,529,132, as against 48,292,973 in 1935. This was far the greatest tonnage since 1930, the improvement being due largely to a revival of east-bound iron ore shipments which increased from 29,277,506 tons in 1935 to 47,069,935 tons in 1936. Up-bound soft coal traffic increased from 8,953,942 tons in 1935 to 12,185,849 tons in 1936. Shipments of Canadian wheat through the Canadian and United States locks increased from 166,382,990 bushels in 1935 to 167,134,034 bushels in 1936.

The number of vessels using the Welland Ship canal increased from 5,092 in 1935 to 6,399 in 1936, and the number of passengers carried, from 1,384 to 2,054. Prior to the construction of the new canal practically no passengers were carried through this canal. Freight shipped during 1936 reached a new high record, being over twice the tonnage of a decade earlier. Since 1929, due to the greater draught of the new canal, the tonnage has increased rapidly. The large increases in 1936 over 1935 were:

wheat, 447,574 tons; gasoline, 76,832 tons; pulpwood, 95,170 tons; soft coal, 448,403 tons; iron ore, 149,847 tons; and other ore, 85,540 tons. The way-traffic to and from ports on the canal amounted to 954,173 tons including 611,028 tons up-bound and 343,145 down-bound. During 1936 there were 2,671 down-bound vessels and 2,591 up-bound vessels, as compared with 2,544 down-bound and 2,547 up-bound in 1935.

On the St. Lawrence canals the number of vessels passing through, increased from 10,326 in 1935 to 10,405 in 1936 and the number of passengers carried declined from 2,324 to 2,197.

Total freight using the St. Lawrence river system of canals in 1936 showed a gain of 1,414,869 tons over 1935. Wheat alone accounted for 900,991 of the increase over 1935. Soft coal was heavier by 176,446 tons and coke by 99,081 tons but hard coal decreased by 86,182 tons. Freight from Canadian Atlantic ports and from trans-Atlantic ports coming up the canals amounted to 283,397 tons in 1936 including 136,266 tons from Canadian ports and 147,131 tons from foreign ports.

The freight rates by water were slightly lower in 1936 than in 1935. The weighted average computed by dividing the total freight charges by the total number of bushels carried during the season was 4.40 cents from the head of Lake Superior to Montreal, as against an average of 4.49 cents in 1935. To Georgian Bay ports the rates were about 10 per cent. higher than in 1935 and they were also higher to Buffalo and Port Colborne.

Canadian Hydrographic Service

The Annual Report of the Department of Marine, Ottawa, for the fiscal year ended Mar. 31, 1935, outlined the main activities of the Canadian Hydrographic Service as follows: In the Atlantic Coast and Inland Waters District the C.G.S. *Acadia* charted an area of 880 square miles, completing the charting of the south coast of Anticosti Island from Southwest Point lighthouse to Bagot Point. Shoal and channel examinations were carried out at Tormentine, N.B., and Summerside, P.E.I. The C.G.S. *Cartier* completed the charting of the central portion of the Gulf in the neighbourhood of the Magdalen Islands, an area of 1,000 square miles being charted during the season.

The Hudson Strait party, transported from Quebec aboard the C.G. patrol vessel *N. B. McLean* completed a coastal survey of southern Baffin Island from Pritzler Harbour to the entrance of Frobisher Bay, a total area of 720 square miles. In the southern portion of Lake Winnipeg, a small party continued the examination and charting of water routes to the mining areas. On the Pacific coast hydrographic operations, covering 2,480 square miles were carried out along the west coast of Vancouver Island and in the Strait of Georgia. Special oceanographical observations also were made in co-operation with the Biological Board. Working in conjunction with the ship, the houseboat *Pender* charted an area of 384 square miles consisting chiefly of intricate channels.

The Precise Water Levels Division continued the precise recording of fluctuations of the Great Lakes-St. Lawrence Waterway system from Port Arthur to Quebec.* For the information of the Interdepartmental, Montreal and Ship Channel Water Levels Board ten special water-level registering stations were maintained at various places below Montreal. The Tidal and Current Division, which undertakes the preparation of Tide

* NOTE.—During the year 22 new charts were issued and 9,236 distributed.

Tables and related publications, maintained the eleven principal tidal stations. Seasonal gauges were installed at Rustico, P.E.I., Moosonee and Charlton Island in James Bay, Port Churchill in Hudson Bay, and Lower Savage Island in Hudson Strait. The time of the turn of tidal current at the western end of Hudson Strait was determined by a study of observations of movements of drifting ice to the southward of that island. In the lower St. Lawrence current investigations were continued with the use of the C.G.S. *Gulnare* and on the Pacific coast tidal data was obtained in First Narrows and off the principal docks in Vancouver Harbour.

According to the 1935-36 Annual Report of the Department of Marine, Ottawa, the Canadian Hydrographic Service completed, under centralized administration, the 33rd year of modern charting of Canadian coasts and waterways. Fifty-three years before the Canadian Government undertook hydrographic charting operations and have continued these unbrokenly.

The C.G.S. *Acadia* after charting the remaining portion of the coasts of Anticosti from Bagot Point to Carleton Point, made a reconnaissance of inside channels along the North Shore from Harrington to Greenly Island and marked, by means of suitable beacons, the entrances to several harbours. The total area charted during the season was 1,686 square miles. The C.G.S. *Cartier* made special shoal examinations at the Magdalen Islands and commenced the charting of Cape Breton Island and of an extensive area of Cabot Strait and the Gulf extending from the Magdalens to the west coast of Newfoundland and Cape Breton. Included in this was a modern survey of St. Paul's Island. A total area of some 6,000 square miles was covered by the Season's operations.

In Hudson Strait a hydrographic party working in conjunction with the patrol vessel *N. B. McLean* and equipped with a new hydrographic launch *Henry Hudson* fitted with an echo-sounding instrument located and charted a fine deep water channel leading into Hudson Strait, inside the Digges Islands and close to the continental coast. A number of good harbours of refuge were also charted and tidal observations were made over a period of two lunar months. The hydrographic launch *Boulton* conducted extensive shoal examinations in the St. Lawrence River and sweeping operations in the Saguenay River between St. Fulgence and Chicoutimi. Other small parties carried out surveys of Charlottetown harbour, St. John River covering Grand Lake and Salmon River as far as Chipman, and in Lake Winnipeg.

During the year 20 new charts were issued and 10,232 charts distributed for navigational purposes.

The Tidal and Current Division maintained in operation the regular seasonal tide gauges. In response to a request for a mean sea level datum for Newfoundland tide gauges were established at Port aux Basques and at St. John's. On the lower St. Lawrence River current investigations were continued with the C.G.S. *Gulnare* and similar work was carried out in the approaches to First Narrows, B.C.

The Precise Water Levels Division maintained continuous observations on the Great Lakes, St. Lawrence and lower Ottawa Rivers at 54 locations, including 11 special stations maintained below Montreal for the Interdepartmental, Montreal and Ship Channel Water Levels Board for whom special investigations were also made.

Canadian Shipping, 1935 and 1936

The Department of Transport was established on Nov. 2, 1936, pursuant to the provisions of The Department of Transport Act which

provided for the merging of the former Departments of Marine and of Railways and Canals and also for the transfer to the resulting Department of Transport of the Civil Aviation Branch of the Department of National Defence. The Sixty-Ninth Annual Report of the Department of Marine for the year ended Mar. 31, 1936, and the Sixty-Eighth Annual Report of the Department of Marine for the year ended Mar. 31, 1935, give figures as at Dec. 31, 1936, Dec. 31, 1935, and Dec. 31, 1934, respectively, as follows: number of vessels built and registered in Canada: 292, 248 and 181; and their net tonnage: 10,293, 12,004 and 4,371. At Dec. 31, 1936, there were 2,855 sailing vessels and 6,518 steam vessels on the Canadian Register with gross tonnages of 480,887 and 1,497,731, and net tonnages of 462,877 and 904,194, respectively. In comparison, 1935 figures were 2,926 sailing vessels and 5,968 steam vessels with gross tonnages of 494,476 and 1,516,808, and net tonnages of 475,596 and 913,747, respectively. Statistics at Dec. 31, 1934, were: sailing vessels 2,969, gross tonnage 495,975 and net tonnage 475,814; steam vessels 5,908, gross tonnage 1,534,586 and net tonnage 919,839. During 1936, 215 ships were removed from the Registry Books as against 272 in 1935, and 221 in 1934. It was estimated that 44,649 men and boys, inclusive of masters, were employed on ships registered in Canada in 1936 as compared with 40,610 in 1935 and 43,347 in 1934.

W. R. Eakin, President of the Shipping Federation of Canada, struck a highly optimistic note at the Annual General Meeting of the organization held in Montreal on Feb. 10, 1937, in his review of shipping operations of 1936. He characterized the year as one in which there was witnessed a definite return toward stable and encouraging conditions in shipping, not only on Canadian routes but throughout the world. "A gradual improvement in freight markets was a gratifying feature of 1936," Mr. Eakin stated. "With the depressed commodity prices prevalent during recent years the level of freight rates had dropped to an unforseen extent, and not until 1936 did any material improvement display itself. Whilst the betterment in the freight market can be attributed, in great measure, to the increased demand for tonnage consequent on improved world trade, I submit that the co-operative efforts made within the shipping industry itself have contributed very largely to the desirable results achieved. In this connection tribute is due to the success which has attended the various freight schemes inaugurated by the Tramp Shipping Administrative Committee of the United Kingdom—schemes which have had a stablizing effect on North Atlantic and other important shipping routes." Dealing with shipping services between Canada and overseas countries, Mr. Eakin said that substantial gains in cargo tonnage had been recorded and that a gratifying increase in export grain cargoes had been an important feature in 1936 operations. Cattle exports to the United Kingdom, despite the attraction of live stock across the border to the United States, had been maintained at a relatively high level, while the volume of general cargo shipped from Canadian ports had been substantially greater than in 1935, with indications of still further improvement. There had been, he said, a noticeable betterment in import cargoes of general merchandise and import bulk cargoes such as coal and oil had been heavy, reaching record figures in some instances. Not only in freight was better business recorded, but in passenger traffic also, the improvement having been very encouraging. Montreal Harbour was utilized by ocean going ships for 245 days in 1936. There was a substantial gain over 1935 in tonnage of ships using the Port. At the meeting, the Federation voiced its opposition to the proposed St. Lawrence

Deep Waterways, declaring that the waterway could not be justified as a navigational aid or on economic grounds, and that its construction would merely prejudice the existing investments in transportation facilities.

The Canadian National (West Indies) Steamships, Limited, according to the Annual Report for the year ended Dec. 31, 1936, operated eleven vessels with a deadweight tonnage of 62,486. For the first time since the formation of the Company, the services earned a surplus after meeting the interest on bonds in the hands of the public. Gross revenues in 1936 were $4,322,592, as against $3,816,245 in 1935 and $3,509,738 in 1934. Operating expenses were $3,765,194 in 1936, $3,616,214 in 1935 and $3,606,416 in 1934. There had been an operating deficit in 1934 of $96,678 as compared to an operating profit of $200,030 in 1935 and of $557,398 in 1936. After payment of bond interest there was an income surplus of $87,398 to be paid to the Government, as compared to an income deficit of $269,969 which had to be provided by the Government in 1935. The net income defict at the end of 1936 was $574,212, as against $917,390 in 1935 and $1,178,679 in 1934. The number of completed voyages in 1936 was 128, two less than in the preceding year. Freight revenue increased $349,606. The number of stems of bananas carried in 1934 by the vessels in the Eastern Service was 65,422. This was increased to 235,885 in 1935 and to 385,140 in 1936. The vessels in the Western Service (Jamaica) carried 1,857,091 stems in 1936, an increase of 71,804 over 1935. Passenger travel was exceptionally good, all vessels being fully booked the greater part of the year. Passenger revenues increased $131,900. The vessels of the fleet were operated during the year without serious casualty. Due to exceptional demands for cargo space for Australia and New Zealand the *Cornwallis* made a special voyage sailing from Montreal in Nov., 1935, from which a net revenue of $21,894 was secured.

The last Annual Report of the Canadian Government Merchant Marine, Limited, covering the year ended Dec. 31, 1936, showed gross revenues of $2,216,441 and operating expenses of $1,912,936, leaving an operating profit of $303,505. With the sale of the remaining ten vessels of a fleet that once totalled sixty the Canadian Government Merchant Marine passed out of existence. A new company, the Montreal Australia New Zealand Line, Limited, continued the service. For the sake of comparisons the gross revenues of the Canadian Government Merchant Marine in 1935 were $2,764,549 and operating expenses, $2,452,726; and in 1934, revenues were $2,302,559, and expenses, $2,429,825. The net income deficit of the Company in 1936 was $254,563, as against $2,001,563 in 1935 and $2,463,008 in 1934. In 1936 there were only 17 completed voyages to Australia and/or New Zealand as against 24 in both 1935 and 1934. In 1934 and 1935 the Hon. C. P. Fullerton, K.C., was Chairman of the Company; S. J. Hungerford remained President for the three years under review; R. P. Ormsby was Secretary in 1934, and W. H. Hobbs, in 1935 and 1936; and A. H. Allan was General Manager in 1934, Capt. E. E. Tedford taking over the position in 1935.

The Twenty-Third Annual Report of the Canada Steamship Lines, Limited, showed that the total revenues for 1936 amounted to $9,434,179, an increase of $760,767 over the previous year, due mainly to improvement in package freight and passenger revenue, while the operations of subsidiary companies were slightly under those of 1935. The total revenues for 1934 amounted to $8,936,369. The net earnings for 1936, before providing for depreciation and discount, were $1,300,722, an increase of only $5,506

over the previous year, due to increased operating costs which reached a total of $8,133,457 as compared with $7,378,196 in 1935 and $7,185,867 in 1934. Net earnings in 1934 were $1,750,502. Bond interest paid during the year 1936 amounted to $108,125 (with Kingston Elevator Company bond interest already deducted from the net earnings), leaving $1,192,597 available for depreciation and other corporate purposes. Bond discount and reserve for depreciation amounted to $1,582,057, a decrease of $42,660 from the previous year. After all charges, there was a net loss in 1936 of $1,659,960 which was $17,052 less than in 1935. Cash on hand on Dec. 31, 1936, amounted to $2,215,178, an increase of $1,268,772 over the previous year before giving effect to unpaid interest on the Company's First Mortgage Bonds, which were paid off, as of Dec. 31, 1936, as per Modified General Plan of Reorganization which was designed to put the Company in a strong position financially. The Company's property had been maintained in sound physical condition during the three years, capital expenditure of $87,303 having been made in 1936. There were no capital expenditures of importance during the other two years and no dividends were paid during the three years. In 1936 the fleet consisted of 99 vessels, of which 83 were freight, and 16 passenger steamships. In 1935, the fleet comprised 101 steamships, of which 17 were passenger boats; and in 1934 it totalled 102 steamships, 17 being passenger ships. The Executive Officers for the years under review were: W. H. Coverdale, President and Managing Director; the Hon. A. J. Brown, K.C., Vice-President; T. R. Enderby, General Manager; J. I. Hobson, Treasurer; and R. B. Thomson, Secretary.

The Canadian Pacific Steamships Limited, in 1936 operated ocean and coastal vessels which showed net earnings before depreciation of $3,553,087, as against net earnings of $3,235,820 before depreciation in 1935 and $2,675,345 in 1934, in which latter year $3,783,660 was set aside for depreciation of steamers, appropriated from Surplus. In 1936 the Company operated 15 inland steamers of a gross tonnage of 22,826, 18 ocean steamers of a gross tonnage of 324,738 and 23 coastal steamers of a gross tonnage of 60,276. There was a substantial increase in gross earnings of the coastal services in 1936, reflecting the improvement in general conditions. Net earnings of the ocean services were approximately the same as during 1935. Net earnings of cruise services decreased substantially due, primarily, to the changes in the itinerary of the world cruise of the *Empress of Britain,* made necessary by the disturbed conditions in the Mediterranean. Gross earnings of Atlantic services increased substantially but were offset by the cost of handling the additional traffic, increase in price of materials consumed, increased cost of repair work, owing to higher wage rate, and an increase in seamen's wages, in accordance with the agreement with the National Maritime Board. Gross earnings of Pacific Services increased slightly and the expenses were considerably less than in 1935 owing principally to more favourable exchange rates. The increase in net earnings from these services was approximately equal to the reduction in net earnings from cruise services. During the year 1936 the Company's steamships made 136 regular voyages on the Atlantic, 25 on the Pacific, and 35 cruises.

Shipping Incidents

The proposed Montreal-New York waterway, which would go through Lake Champlain and join the Hudson River at Albany, met with a somewhat varied reception before the hearings of the International Joint Commission during 1936. Original surveys of the route were completed

by the United States Government in 1900 and had been revived owing to the need for quicker and shorter ocean routes connected by inland waterways. It was claimed for the proposed route that it would shorten the travel distance between Montreal and the United States and Southern Hemisphere destinations by more than 1,200 miles. Fred S. Keiser, Traffic Manager of the Duluth, Minn., Board of Trade, urged approval of the waterway on the ground that it would save an average of 40 per cent. of the distance from Great Lake points to New York City and other Atlantic seaports. Contrary to general belief, he said, the traffic which would be carried over the proposed waterway, would be coastwise rather than import or export trade. The chief opposition to the project came from railway interests. C. H. Callahan, Traffic Manager of the Maritime Association of the Port of New York, said that the waterway would completely demoralize current shipping rates. All the steamship lines had built up an intricate rate structure and the cross country route to the St. Lawrence would permit "Tramp" steamers to compete with lines using regular sailing schedules. It was contended that such a project would force many United States railroads into receivership. Merwin K. Hart, President of the New York State Economic Council, told the Commission that the taxpayers of the State were opposed to the seaway chiefly because the railroads were large taxpayers and if they were "undermined" the taxes paid by them would be shifted to others.

Representatives of North Atlantic transportation lines and grain handling agencies, at a meeting in New York on June 4, 1936, decided to seek the United States State Department's aid in removing restrictions on the flow of Canadian wheat to the United Kingdom by way of North Atlantic ports. Ever since the consummation of the Ottawa agreements in 1932 the movement of Canadian grain through the United States had been restricted by the requirement of documentary evidence of through consignment from Canada to the United Kingdom. In 1935-36, virtually no Canadian grain moved through United States ports bound to the United Kingdom.

The Report of the Imperial Shipping Committee on the future of British shipping in the Pacific Ocean made public in London on Dec. 14, 1936, suggested that two vessels larger than those in existing service should be built for the Canadian-Australasian Line.

Crossing the Atlantic in 3 days, 23 hours and 57 minutes, or 3 hours and 37 minutes less than the *Normandie,* her French rival's best, the Cunard White Star superliner, *Queen Mary,* surged past Bishop's Rock in the Scilly Isles at 7.12 p.m. Greenwich time, on Aug. 30, 1936, to regain for Britain the blue ribbon of the Atlantic after a break of seven years. Her average speed, on which the record was based, between Ambrose Light and Bishop's Rock, was 30.63 knots for a voyage of 2,939 miles.

On June 12, 1936, the Steamship *Ottawan,* under Capt. William Manville, was taken off the Ottawa-Smiths Falls run ending at least 104 years of commercial navigation on the Rideau canal system. The *Ottawan,* in commission 32 years, was tied up to await the return of sentiment for water transportation. *The Globe,* Toronto, commenting on the retirement of the *Ottawan,* said: "Some thirty years ago a journey along the canal on the *Rideau King* or the *Rideau Queen* was among the delights of water travel. Now all are gone and only pleasure craft will stir the waters of the Rideau. No doubt automobiles and the desire for

speed in transportation have placed under eclipse the more leisurely journeyings by water."

Miscellaneous Traffic Reports

International bridge, ferry and tunnel companies operating between Canada and the United States, all from Ontario points, reported 6,450,357 motor vehicles, 259 horse-drawn vehicles, 1,589 pedal cycles and 19,251,915 pedestrians and passengers of vehicles other than drivers, or a total of 25,704,120 persons crossing the border in both directions during 1936 as against a total of 24,028,184 in 1935, according to statistics compiled by the Dominion Bureau of Statistics. In 1935, 5,689,113 motor vehicles, 167 horse-drawn vehicles and 18,338,663 pedestrians and passengers crossed over and in 1934 the figures were 5,180,435 motor vehicles, 69 horse-drawn vehicles and 16,697,818 pedestrians and passengers—a total of 21,878,322 persons. Revenues increased from $2,470,829 in 1934 to $2,918,864 in 1935 and $3,329,454 in 1936 and the operating expenses from $2,139,953 in 1934 to $2,392,160 in 1935 and $2,443,811 in 1936. The total capital outstanding, including stocks and bonds, was reduced from $52,436,822 to $30,679,349 due largely to reorganization of the Detroit and Canada Tunnel Corporation which had been in a receivership. The number of employees was reduced from 976 in 1935 to 921 in 1936 and the total payrolls from $915,849 to $910,006. In 1934 there were 598 employees receiving $713,928.

At the Thirty-Second Annual Meeting of the Canadian Transit Association held in Niagara Falls, Ont., June 3-4-5, 1936, it was pointed out that the electric railway industry in Canada had revenue of $38,195,700 in 1935 from street cars and buses compared with $37,185,769 in 1933, an increase of 2.7 per cent. in the two years. One-man cars accounted for just over half the total mileage operated in the past year—50.5 per cent. Two-man cars accounted for 35.8 per cent.; trailers, 1.8 per cent.; and feeder buses, 11.9 per cent. The gradual change from two-man to one-man cars and the employment of feeder buses had enabled the industry to reduce its operating expenses. The ratio of these to passenger revenue per mile was down to 73.40 in 1935, the lowest ratio since 1915. The Report of the Canadian Transit Association said: "The street car continues to be the backbone of urban public transportation services. The number in use has declined but this is attributed to the discontinuance of inter-urban lines rather than to the replacement of street cars by buses in cities. The bus has proved to be economically useful in some of the smaller municipalities but the number in use has shown no particular increase since 1928 or 1929." Abandonment of lines accounted for a reduction in capital in electric railways in Canada from the peak of $240,293,933 in 1930 to $219,061,500 in 1935. Only 2,091 miles of track were operated compared with 2,565 ten years before. The decline in motor vehicle registration between 1930 and 1933-34, the Report pointed out, did not help the street cars, which suffered a loss of traffic from the depression as did motor cars. The increase in street car revenues had coincided with an increase in motor vehicle registrations, although the motor car was the street car's competitor. The Report complained that electric railways were paying special taxes and assessments in the form of paving charges, snow removal, city rentals, mileage charges, etc., which could, in no sense, be regarded as a part of the cost of providing transportation. The Report contended that they must be relieved of these unjust and in-

equitable burdens if they were to give the maximum service. Officers elected were: President, W. J. Lynch, Assistant General Manager Quebec Railway, Light and Power Company; Vice-President, R. N. Watt, Vice-President Montreal Tramways Company; Treasurer, E. B. Walker, General Superintendent Electric Lines, Canadian National Railways; Secretary, George S. Gray, Special Engineer, Toronto Transportation Commission.

Aviation in Canada, 1934—1936

The year 1936 witnessed a growing air-mindedness in Canada. Several incidents contributed to this condition. There was the establishment of a new Dominion Department of Transport in 1936; a projected trans-Canada air service, twenty hours from Halifax to Vancouver, was being visualized, together with a tie-up with a trans-atlantic service that was expected to bring London within fewer than twenty-four hours of Montreal and Toronto. The construction of airports and intermediate aerodromes, hangars, buildings and radio stations on the Trans-Canada Airway progressed favourably during 1936. Construction work proceeded on 42 locations. The situation with regard to aerodromes and landing fields was as follows: Intermediate aerodromes and airports, where preliminary development had been completed, 18; intermediate aerodromes and airports under construction, 34; sites acquired, but not under construction, 9; intermediate aerodromes completed prior to 1930, 30; and municipal and public airports forming part of Trans-Canada Airway, 17.

The Montreal-Albany international air mail and the summer service of the Montreal-Rimouski air mail service were operated from the Government Airport at St. Hubert, P.Q. Activities at this airport for 1936 were: aircraft in, 445; aircraft out, 450; passengers in, 893; passengers out, 1,400; freight in, 8,456 pounds; freight out, nil; mail in, 94,920 pounds; mail out, 66,185 pounds; aircraft imported, 5; value, $20,106; aircraft exported, 2; value, $15,000. During 1936, 35 regular air mail services were operated by commercial firms under Post Office contracts; 1,159,934 pounds of mail were carried, 905,545 route miles were flown and 6,880 single trips were made.

The following summary includes all operations in Canada except Federal Government and privately-owned craft: aircraft miles, 7,100,401 in 1936, 7,522,102 in 1935, and 6,497,637 in 1934; flights, 108,582 in 1936, 153,211 in 1935 and 128,031 in 1934; hours, 76,443 in 1936, 88,451 in 1935 and 75,871 in 1934; passengers, 115,834 in 1936, 177,472 in 1935 and 105,306 in 1934; passenger miles, 11,272,716 in 1936, 7,936,950 in 1935 and 6,266,475 in 1934; freight and express (pounds), 22,947,105 in 1936, 17,615,910 in 1935 and 14,441,179 in 1934; mail (pounds), 1,159,934 in 1936, 1,126,084 in 1935 and 625,040 in 1934. The figures for 1934 and 1935 include all flying in Canada while those for 1936 only include commercial air traffic.

During 1936, 603 air pilots' or air engineers' licences were granted in addition to 269 aircraft registration certificates and airworthiness certificates, as compared with 239 licences and 183 certificates in 1935, and 337 licences and 270 certificates in 1934. In 1936, 1935 and 1934, respectively, there were in force the following licences: private air pilots, 569, 496 and 427; commercial air pilots, 373, 414 and 405; limited commercial pilots in 1936, 67; transport pilots in 1936, 46; air engineers, 529 in 1936, 472 in 1935 and 461 in 1934; private aircraft, 75, 44 and 38; commercial aircraft, 404, 336 and 330; air harbours, 99 in 1936, and 96 in 1935. There were 19 accidents involving death or injury reported in

1936 and 81 accidents involving damage to aircraft, as against 15 and 77, respectively, in 1935, and 12 and 99 in 1934.

A further extension of the Light Aeroplane Club scheme was granted and revised Standard Conditions authorized, in all three years under review. Grants were paid for 228 private and 43 commercial air pilot's licences in 1936, as against 165 and 33 in 1935, and 133 and 21 in 1934. Twenty-four aircraft were issued for training purposes, and twenty-two clubs were in operation in 1936. The activities of the clubs during 1936, 1935 and 1934, respectively, were as follows: members, 2,427, 2,400 and 2,200; aircraft used, 66, 81 and 82; members under instruction, 628, 536 and 535; and hours flown, 19,520, 13,819 and 10,581.

During 1936, 127 commercial aircraft operators were variously engaged in transportation of mail, passengers and freight; flying instruction; air photography; timber cruising; forest and fishery patrols; demonstrations; mining exploration and prospecting, etc. These operators were located as follows: 2 in Nova Scotia, 3 in New Brunswick, 19 in Quebec, 54 in Ontario, 7 in Manitoba, 7 in Saskatchewan, 12 in Alberta, 21 in British Columbia, and 2 in the Yukon. There were 130 commercial aircraft operators in 1935, and 128 in 1934. Forest fire protection and exploratory operations were carried out by the air services owned and operated by the Provinces of Ontario, Manitoba and Saskatchewan during the three years. There were 155 air harbours in 1936, as against 96 in 1935 and 101 in 1934; and 450 licensed civil aircraft in Canada as against 380 and 368.

Statistics of the aircraft industry in Canada in 1936 were as follows: establishments reporting, 7; capital invested, $1,544,869; number of employees, 416; and gross value of products, $1,347,894. In 1935 there were 7 establishments reporting with invested capital of $1,574,495 and production value of $880,699. In 1934 there were 6 establishments with a production value of $483,948. Aeroplanes manufactured in Canada numbered 109 in 1936 with a value of $1,210,910; 58 in 1935, valued at $479,614; and 18 in 1934, valued at $117,689. Imports of aircraft and complete parts thereof, not including engines, amounted to $944,725 in 1936; $326,977 in 1935; and $139,157 in 1934. Imports of aeroplane engines totalled $339,444 in 1936, $218,966 in 1935 and $62,356 in 1934.

Aviation Incidents

Sixteen hours of flying time for the 2,400 miles between Montreal and Vancouver was the object of the Canadian flying service across the Dominion to be provided for through co-operation between the Dominion Government and private enterprises. The Imperial Airways Limited had been commissioned to operate the proposed North Atlantic air lines when service should be begun. The project visualized a trans-atlantic air service with Canadian Terminals in Nova Scotia during the Summer months and Harbour Grace as the intermediate stop in Newfoundland. Under the agreement, the United States would make available to the Imperial Airways Limited landing facilities in the United States while Canada, Ireland and Great Britain would afford landing facilities to the American Company, the Pan American Airways.

A co-operative agreement was reached at a Conference on Trans-atlantic Air Services which took place in Ottawa, Nov. 22—Dec. 2, 1935. Representatives were present from the United Kingdom, the Irish Free State, Newfoundland and Canada. The Canadian representatives were Mr. V. I. Smart, Deputy Minister of Railways and Canals; Mr. Loring C.

Christie, Counsellor, Department of External Affairs; Mr. J. A. Wilson, Controller of Civil Aviation; Mr. P. T. Coolican, Assistant Deputy Postmaster-General; Mr. John Patterson, Director Meteorological Service; Mr. C. P. Edwards, Director of Radio; Dr. W. C. Clark, Deputy Minister of Finance; and Squadron Leader A. T. N. Cowley, Superintendent, Air Regulations—Secretary. As the Conference desired the co-operation of the United States interests, at the close of the Meeting the representatives accepted an invitation to proceed to Washington where an agreement was reached with representatives of the United States Government in the institution of a regular transatlantic air mail, passenger, and express service.

In consequence of the extensive publicity given to the expansion of the Royal Air Force in England a decidedly increased number of applications for entry into the R.A.F. and R.C.A.F. were received according to the Report of National Defence, Canada, for the fiscal year ended Mar. 31, 1936. Approximately 9,000 applications were handled during the year including those for Short Service Commissions and Apprenticeships, R.A.F., Permanent Commissions R.C.A.F., appointments to Non-Permanent Squadrons, Reserve and Enlistments. Two-hundred and twenty-two airmen were enlisted during the year to fill vacancies on the increased authorized establishments of the various permanent units. One hundred and seventy-four of these airmen were graded as, "Standard, Apprentice," and received technical training in Air Force trades, and 43 were retained on General Duties; five were ex-airmen. One hundred and thirty-one airmen were enlisted in the Non-Permanent Active Air Force during the year. On Mar. 31, 1936, the strength in Warrant Officers, Non-Commissioned Officers and Airmen was: permanent, 884; and non-permanent, 289. Non-Permanent Active Air Force units were organized and located as follows during the year: Toronto, Vancouver, Winnipeg, Montreal (2), Hamilton and Regina.

Telephone, Telegraph and Radio, 1934—1936

The number of telephones in Canada showed an increase for the third successive year since the low point was reached in 1933, according to Telephone Statistics for 1936 (Dominion Bureau of Statistics). The total was 1,266,228, as against 1,208,815 in 1935 and 1,197,029 in 1934. The average number per 100 population was 11.48 in 1936, as against 11.05 in both 1935 and 1934. Only four countries had a greater number of telephones than Canada in 1936, and only the United States had a larger number (13.69) of telephones per 100 population. In 1936, 1935 and 1934, respectively, rural telephones numbered 229,940, 218,818 and 217,182; business telephones numbered 407,235, 385,554 and 382,861; and residence telephones numbered 858,993, 823,261 and 814,168. The cost of property and equipment was $330,048,263, an increase over 1935 of $2,294,237, but a decrease of $1,138,964 over 1934. Income increased from $57,029,918 in 1935 to $59,770,591 in 1936 and expenditures from $50,889,780 in 1935 to $51,938,102 in 1936. In 1934, income totalled $57,380,171 and expenditure, $50,989,088. The number of systems increased from 2,833 in 1935 to 3,063 in 1936. In the number of conversations *per* telephone and *per capita* Canada ranked first in 1936. These conversations were estimated from counts made on representative days by the large systems and for the year amounted to 2,421,202,000 and 27,989,727 long distance completed calls. This was an average of 1,934 total calls per telephone and 222 *per capita*. The United States, Denmark and Sweden ranked second, third and fourth in

telephone conversations *per capita*. In 1935 the number of conversations in Canada was 2,303,087,504 and in 1934, 2,304,259,566.

In the municipal and stock company systems were many which were co-operative in operation; that is, the service was given only to the stockholders or to a very small number of other persons. Employment was afforded to 17,775 persons in 1936, to 17,414 in 1935, and to 17,291 in 1934. Salaries and wages were $23,365,977 in 1936, $22,283,362 in 1935 and $21,167,834 in 1934. There were 2,388 telephone systems in Canada in 1934, 2,833 in 1935 and 3,063 in 1936. These systems reported a pole line mileage of 210,926 miles in 1936, 207,916 miles in 1935 and 208,131 in 1934. The wire mileage totalled 5,197,042 in 1936, 5,120,610 in 1935 and 5,133,521 in 1934. There were no marked changes in the number of telephones owned in each Provine during the three years. In 1936 the figures were as follows: Prince Edward Island, 5,317; Nova Scotia, 45,145; New Brunswick, 30,767; Quebec, 275,448; Ontario, 576,064; Manitoba, 64,888; Saskatchewan, 79,420; Alberta, 62,768; British Columbia, 126,273; and the Yukon, 138. In 1936 automatic switchboards operated 562,958 telephones; mannual switchboards operated 703,270. Stock companies owned and operated 1,009,520 telephones; co-operative systems, 62,084; municipal systems, 61,882; Provincial Governments, 129,729; and the Dominion Government, 3,013. The excise tax collected on long distance calls in 1936 amounted to $689,305.

The Report of the Bell Telephone Company of Canada for 1936 showed improved general business activity throughout the territory served by the organization. This improvement resulted in the largest net gain of telephones in service since 1929 and a substantial increase in the number and value of long distance messages. Despite this improvement the total stations in service at Dec. 31, 1936, were still 76,189 below the total in service Dec. 31, 1930, while long distance revenue was 18 per cent. lower than for 1930, the peak year. During 1936, 181,344 telephones were connected and 157,502 disconnected making a net gain of 23,842 as compared with 10,326 in 1935 and 3,300 in 1934. Of the 708,607 telephones in service at the end of 1936, 255,286 were business and 453,321 residence services; and there were 74,152 extension telephones. Other telephone systems in Ontario and Quebec with which the Bell Telephone Company interchanged service numbered 863 serving 141,214 telephones, an increase of 2,767 during 1936. In 1935 there were 684,765 telephones in service and 674,439 in 1934. Local service revenue in 1936 was $28,232,549 as against $27,290,573 in 1935 and $27,035,520 in 1934. Long distance revenue in 1936 was $8,512,409, $7,627,996 in 1935, and $8,131,781 in 1934. Miscellaneous revenues and revenue from outside investments were $1,768,594 in 1936, $1,651,226 in 1935 and $1,296,623 in 1934. The gross revenue for 1936 was $38,513,552; for 1935, $36,569,795; and for 1934, $36,463,924. Operating and maintenance expenses totalled $26,-355,426 in 1936 as against $25,619,062 in 1935 and $25,059,418 in 1934.

The Maritime Telegraph and Telephone Company operated 39,500 telephones during 1936, as against 38,774 in 1935 and 38,251 in 1934. The gross operating revenue for 1936 amounted to $1,838,690, as against $1,797,045 in 1935 and $1,727,695 in 1934. The increase in net revenue in 1936 was sufficient to warrant the Directors in declaring an extra dividend of one per cent. on the common shares making 7 per cent. for the year. The operating expenses for 1936 were $1,064,957, as compared with $1,044,320 in 1935 and $1,008,632 in 1934. After setting aside $397,978 for dividends, $12,823 was transferred to surplus in 1936.

The following information covers briefly the Provincial Systems. The Manitoba Telephone System for the fiscal year ended Nov. 30, 1936, reported 64,888 telephone stations of which 50,297 were in Winnipeg. The total revenue of the telephone system for the fiscal year (1936) was $2,835,362, a gain of $38,378 over the two previous years. Total current expense was $1,343,447, a decrease, respectively, of $79,842 and $79,843, as compared with the previous years. Interest charges were reduced by $10,824 during 1935-36 through refundings and reductions in plant value. In 1934 interest charges totalled $1,111,742. The number of farm telephones was back once more in five figures. The rural "message rate service" introduced in the drought area had been extended to the rest of the rural community with the result that many farmers had changed from the unlimited to the limited service, practically cutting service costs in half. This rural rate was $1 per month with a charge of two cents for each additional call made in excess of 30 calls. Saskatchewan Department of Telephones for the fiscal year ended Apr. 30, 1936, reported an increase of 1,445 rural lines in service making the total connections 32,811 local and 31,371 rural. There were 492 rural telephone companies authorizing a limited special tax levy for the renewal and reconstruction of their lines and during 1936 these companies expended $47,295 in the renewal of their lines. In Alberta the Government adopted the policy of selling their rural lines to rural organizations. The number of telephones in operation in the Province at the end of 1936 was 62,768. The capital of the Alberta Telephone System was $28,690,140, cost of property and equipment, $16,351,157, gross revenue, $2,358,002, and operating expenses, $1,021,198 without allowing for depreciation. The British Columbia Telephone Company reported for the calendar year 1936 that the number of telephones in use throughout the system was 114,370 as compared with 109,231 in 1935 and 106,326 in 1934. The gross revenue for 1936 was $5,063,705 and expenses, $4,361,083 showing a balance of $702,622. Gross revenue in 1935 was $4,856,057 and expenses, $4,180,538; and in 1934 revenue totalled $4,708,538 and expenses, $4,061,985. Dividends amounting to $678,750, $667,500 and $656,-250, respectively, were paid during 1936, 1935 and 1934. General taxes increased from $295,308 in 1934, to $344,267 in 1935, and to $385,626 in 1936.

Telegraph Companies, 1934—1936

The statistics presented from the Report of the Dominion Bureau of Statistics (Transportation and Public Utilities Branch) for the calendar year 1936 included those of the telegraph departments of the Canadian National, Canadian Pacific, Northern Alberta and Temiskaming and Northern Ontario Railways, the North American Telegraph Company, which operated north and west of Kingston, the Dominion Government Telegraph Department, which operated lines in Nova Scotia, New Brunswick, Northern Quebec and the Western Provinces up to the Yukon Territory and a small mileage in Ontario, and the Canadian operations of the Marconi wireless system and of the several cable companies with stations in Canada. The gross revenues of all systems increased from $9,741,394 in 1935 to $10,378,873 in 1936. Operating expenses increased from $8,416,329 in 1935 to $8,710,349 in 1936 and net revenues were increased from $1,325,065 in 1935 to $1,668,524 in 1936. Gross revenue in 1934 was $9,972,627 and operating expenses, $8,436,144. The pole line mileage in 1936 was 52,907; in 1935, 53,034; and in 1934, 52,406. The wire mileage was 363,180 in 1936; 365,518 in 1935; and 366,706 in 1934. Employees numbered 6,064, receiving $7,360,193 in 1936, as against 5,903,

receiving $7,030,830 in 1935; and 5,624, receiving $6,431,647 in 1934. There were 11,001,936 telegrams sent in 1936 and 1,733,250 received from the United States. The corresponding figures for 1935 were: 9,565,719 telegrams sent and 1,673,116 received from the United States; and for 1934, 8,991,843 and 1,553,798, respectively. The number of cablegrams forwarded and received was 740,170 and 651,733, respectively, as against 688,772 and 613,182 in 1935 and a total of 1,691,477 in 1934. The total value of money transferred by telegraph amounted to $4,296,738 in 1936 as against $3,834,458 in 1935 and $3,950,854 in 1934.

The Canadian Marconi Company reported that the results of 1936 showed a material improvement over the preceding year. The net profit for the year was $189,316 as against $96,159 in 1935 and $60,386 in 1934. Sir Joseph Flavelle, Bart., resigned from the Board in pursuance of his desire to reduce the number of his active business interests. Sir Joseph was Chairman of the Board from 1927 until his retirement.

Radio Affairs

On Oct. 31, 1936, the Governors of the Canadian Radio Broadcasting Corporation entered into control of Canadian broadcasting affairs, taking the place of the Canadian Radio Commission, under the Chairmanship of Hector Charlesworth, appointed by the Bennett Administration. The Board of the new Corporation as proclaimed by the King Government comprised Leonard W. Brockington, K.C., of Winnipeg and Calgary, Chairman; Rene Morin, Montreal, a former M.P., Deputy Chairman; Brig.-Gen. Victor W. Odlum, Vancouver, broker and former newspaper publisher; J. W. Godfrey, barrister, Halifax; Prof. A. Vachon, Laval University, Quebec; N. L. Nathanson, Toronto, head of Famous Players' Corporation of Canada Limited; Col. Wilfrid Bovey, McGill University, Montreal; Alan B. Plaunt, Ottawa; and Mrs. Nellie McClung, Victoria, B.C., widely known Canadian novelist. Actual executive control was to be vested in Maj. W. E. Gladstone Murray, former official of the British Broadcasting Corporation, as General Manager, and Augustin Frigon as Assistant General Manager.

The Annual Report of the Canadian Broadcasting Commission for the fiscal year ended Mar. 31, 1936, tabled in the House of Commons on Aug. 25, 1936, showed that no major extensions of broadcasting facilities were made by the Commission in 1935-36 although the Commission had plans for new stations and improved service in areas not properly served, but the yearly revenue received by the Commission had not permitted the construction of high power stations such as required. A new privately owned 1,000 watt station established at Sudbury, Ont., during 1936 was added to the Commission's basic network, providing service in areas not previously covered. The growth in the number of listeners had been striking. Statistics issued by the Radio Branch, Department of Marine, showed that on Mar. 31, 1923, there were 9,954 licensed private receiving sets in Canada. At the end of the fiscal year 1936 the Department reported 862,109 receiving sets. A comparison of licence fees collections by the Department of Marine for the first three months of each fiscal year from 1933 to 1936 inclusive showed: Apr. 1 to July 1, 1933, $861,725; Apr. 1 to July 1, 1934, $872,280; Apr. 1 to July 1, 1935, $979,416; and Apr. 1 to July 1, 1936, $1,276,325.

The Commission was represented by counsel before the Royal Commission appointed to investigate activities of the Canadian Performing Rights Society Limited and similar societies. The recommendation

of the Commissioner, the Hon. Mr. Justice Parker, and the amendments to the Copyright Amendment Act, 1931, subsequently enacted by Parliament were of importance to radio broadcasting agencies in Canada in restricting the imposition of excessive fees by copyright owners.

The total expenditures of the Commission during the fiscal year 1936 amounted to $1,702,965 of which amount Parliament voted $1,500,000. The gross commerciál revenue was $376,893 of which $135,614, received in trust on account of commercial business, was paid according to commitments, $195,409 was transferred to the Commission Parliamentary appropriation leaving a surplus of revenue amounting to $40,777 transferred to 1936-37. In the fiscal year ended Mar. 31, 1935, the total expenditures of the Commission were $1,394,925. The total revenue was $1,396,000 including $1,250,000 voted by Parliament and $146,000 commercial revenue, leaving the excess of revenue over expenditure $1,921.

In the fiscal year 1935-36 the expenditures comprised salaries $233,065, administration $85,647, operation of stations $91,712, new construction $85,790, technical apparatus $23,679, national network $680,687, programmes $502,384.

During 1934-35-36 the Commission operated seven broadcast transmitting stations in Canada, located at Chicoutimi, Quebec City, and Montreal in Quebec, Toronto, Ottawa, and Windsor in Ontario and Vancouver, B.C. During the fiscal year 1936 there were 70 stations on the normal broadcast band and 8 short wave stations in Canada. Of this number 28 were checked daily, 14 others were included in the monthly check and 4 others were measured at irregular intervals. At the end of the fiscal year 1936, 69 stations out of a total of 78 stations met the technical requirements of the Commission in every respect, an increase of 17 stations over the preceding year. In 1936, 12,856 miles of single wires were required to connect stations using Commission programmes.

Programmes broadcast by the Commission were divided into two groups comprising Commission productions originating in Canada and exchange programmes from sources outside of Canada. In 1935-36, 8,250 programmes in the first group and originated at 41 broadcasting points in Canada were broadcast by the Commission representing an increase of approximately 1,250 programmes over the previous fiscal year. This increase was due chiefly to the extension of the broadcast schedule from four and one-half hours to six hours daily. The outstanding productions of the Commission during 1936 were "Canada Celebrates Christmas", "Canada in 1935" and a dramatization of the founding of Empire Day in Canada. The Sunday afternoon concerts of the New York Philharmonic Society during the Autumn and Winter seasons, and relayed to the Commission through the courtesy of the Columbia Broadcasting System, were a predominant feature of the Commission's schedule. Canadian orchestras which broadcast for the Commission were the Toronto Symphony Orchestra, Vancouver Symphony Orchestra and Winnipeg Symphony Orchestra. Nineteen hundred programmes of the light entertainment type were broadcast during 1934-35. Special programmes in French were broadcast over the French network. The outstanding special events broadcast by the Commission during 1935-36 were the Empire programmes. These included the special programmes in commemoration of the Silver Jubilee of the Coronation of King George V, the Empire Christmas Day broadcast, concluding with a message by His Majesty, the broadcast of the funeral service for King George V, a

tribute by the Right Hon. Stanley Baldwin and the Proclamation of King Edward VIII.

On May 5, 1935, the Commission issued instructions to all station managers prohibiting "spot" advertising on Sundays on all broadcasting stations in Canada and later action was taken to prohibit "spot" advertising entirely on stations operated directly by the Commission effective June 1, 1935.

In the Report of the Radio Branch of the Department of Marine for the fiscal year 1935-36 it was shown that the number of licensed stations in operation in the Dominion with ships registered therein on Mar. 31, 1936, was 865,331. "Coast station" is the term used to designate a radio station established on shore to communicate with ships at sea. The complete system of 78 stations located as follows: East Coast (including 13 radio beacons and 3 radio telephone stations), 35; Great Lakes (including 6 radio beacons), 14; Pacific Coast (including 5 radio beacons, one combined coast and radio beacon and 6 radiotelephone stations), 22; Hudson Bay and Strait and Arctic, 7. The Coast Station System consists of three chains, one extending from Vancouver to Prince Rupert on the Pacific, another from Port Arthur to the Atlantic Ocean in the east and the third from Port Churchill to Resolution Island at the eastern entrance to the Hudson Strait, and for the purpose of administration is divided into three divisions—Pacific Coast, Great Lakes and East Coast. Of the above stations, fourteen on the East Coast and Great Lakes were operated by the Canadian Marconi Company under contract with the Department, and the balance of sixty-four, which includes Coast Stations, Direction Finding Stations, Radio Beacon Stations and Radiotelephone Stations, on the East and West Coasts and Hudson Bay and Strait are operated directly by the Department. The primary aim of the Coast Station organization was to provide radio facilities whereby any ship within 500 miles of the Canadian coast can establish instant communication with the shore. Constant watch was kept and during the year the stations handled a total of 7,712,803 words. As a result of a conference between representatives of the appropriate administrations of the United States and Canada, held in New York in May, 1935, certain general principles were drawn up to provide co-ordinated operation of the radio beacon systems of the two countries. Twice daily, at advertised hours, eleven stations on the East Coast, seven on the Great Lakes and two on the West Coast broadcast information to navigators covering weather forecasts, position and nature of dangers to navigation, etc. On the West Coast, Press messages were transmitted daily. In addition ice conditions in Cabot Strait were detailed by radio. There were in 1936 approximately 652 ships fitted with auto alarm devices plying to and from Canadian ports, all of which were inspected during the year. The Canadian Radio Broadcasting Act, 1932, empowered the Canadian Broadcasting Commission to regulate and control broadcasting in Canada. On the Commission's recommendation licences for broadcasting stations were issued by the Minister of Marine. Seventy-eight Private Commercial Broadcasting Stations were in operation during the fiscal year 1935-36. In addition ten Experimental Short Wave Broadcasting Stations were licensed. The total number of licences issued for receiving sets was 862,109 and the net revenue from broadcasting, transmitting and receiving licence fees, after deducting commissions to licence issuers and to the Post Office Department for the sale of licences, amounted to $1,577,931. The use of radio as a means for maintaining contact with isolated points beyond

the reach of ordinary telegraph and telephone facilities continued to develop. In British Columbia radio stations were utilized to cover Provincial police activities. In other Provinces radio was used extensively in forestry work. Thirty-five licences covering twenty-six stations and nine aircraft were issued to mining companies throughout the Dominion. Other companies operating aircraft were granted licences for forty-five stations and seventeen aircraft. Sixty-six licences were also issued to public utilities and power companies to cover the establishment of radio stations at their power plants and distribution centres. The net revenue accruing to the Radio Branch from all sources during the fiscal year 1935-36 amounted to $1,646,601 against $1,556,520 in 1934-35, an increase of $90,080. The Marconi Beam Service between Drummondville, P.Q., and Bodmin, England, which was inaugurated on Oct. 25, 1926, continued in permanent operation.

On Nov. 4, 1936, after the first formal meeting of the Board of Governors of the Canadian Broadcasting Corporation L. W. Brockington, K.C., Chairman of the Board, introduced the new broadcasting authority to the listening public in a statement broadcast over the national network entitled "Canada Calling." Of this statement the *Winnipeg Free Press* on Nov. 6, 1936, said in part:

"Mr. Brockington forced his point home in indicating that in setting up the Corporation, the Federal Powers had moved as far into the background as possible. Problems involving international adjustments, such as wave lengths, would necessitate Government action, as would the formal approval of By-laws, but the Corporation stood separate and distinct from any Government department."

"The Government Board, for its part, was pledged to act as a unit, but a unit standing out as representing all Canada, at once recognizing and striving by intention at least to overcome the bogies of geography and politics. As physical aid to this consummation, the Board put behind it all the arguments which would set Ottawa up as its meeting place. It intends, as meetings become necessary, to move across the country, its one abiding place not a fixed abode on the map but in the spirit of the whole Dominion.

"A few swift phrases placed before the public the further hazards of wave length limitation and of time and space. There are 96 suitable wave lengths of which Canada has six, five of which are subject to serious interference from Mexico stations. There are 28 shared. United States has 600 stations; Canada has 74, of which only three are over 5,000 watts. The Corporation owns three stations and leases four. There are the questions also of leasing from wire companies to augment present facilities. In the face of this it is not surprising that Chairman Brockington stated that General Manager Murray and his colleagues would undertake at once a survey of coverage of public and private stations, of wave lengths and to gain information as to where high powered stations across Canada might be strategically located for the serving of the Dominion."

"The second field to be surveyed, according to the Chairman's foreword, is that of programme material. This is a phase upon which Mr. Brockington very wisely did not dilate other than to suggest that the rich tapestry of Canadian life should lend itself to Canadian representations. The Board, he promised, would only be intolerant of intolerance and shackled only by decency and freedom."

Major W. E. Gladstone Murray, General Manager of the Canadian Broadcasting Corporation, was brought to Canada at the invitation of Prime Minister Bennett in 1933 to survey the radio set-up and make recommendations which in his opinion would give Canada the best broadcasting service possible. His Report recommended a reorganization much on the lines of that which was effected.

CANADIAN BOOKS OF 1934-36

COMPILED BY

CHARLES R. SANDERSON

Chief Librarian, Toronto Public Libraries

The following three lists include Canadian books and pamphlets of 50 or more pages, except in the Poetry and Drama sections where the minimum is 25 pages. Each list is headed by the year of publication. The titles are grouped by subjects, the subjects being arranged alphabetically. A selection of Dominion and Provincial Government documents is included.

The French-Canadian sections, placed at the end of each list, are based on lists compiled by the University of Toronto Library.

1934

Agriculture

Canada. Dept. of Agriculture. Live Stock Br. Fourteenth Annual Market Review, 1933. 151p. maps. Ottawa, the Department.

Canada. Dominion Bureau of Statistics. Agric. Br. Live stock and Animal Products Statistics, 1933. 107p. diagrs. 25c. Report on the Grain Trade of Canada, for the Crop Year ended July 31 and to the Close of Navigation, 1933. 213p. maps, diagr. 50c. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Dairy Br. Statistics of Dairy Factories, 1932. 96 p. il. diagrs. Ottawa, King's Printer. 25c.

Canadian Grain Trade Year Book, 1933-34. 105, v. p. Winnipeg, Sanford Evans Statistical Service. $1.50.

Canadian Society of Technical Agriculturists. World's Grain Exhibition and Conference, Regina, 1933. 479p. il. Ottawa, the Society.

Gooderham, Charles Benjamin, 1883—. Bees and How to Keep Them. 62p. il. Ottawa, Dept. of Agriculture. 10c.

Greaney, Frank James, 1897—. The Prevention of Cereal Rusts by the Use of Fungicidal Dusts. 90p. il. diagrs. Ottawa, Dept. of Agriculture. Free.

Hopkins, Edward Stanley, 1890—, Armstrong, John Morris, 1903—, and Mitchell, Homer Dean, 1889—. Cost of Producing Farm Crops in Eastern Canada. 51p. front. il. diagrs. Ottawa, Dept. of Agriculture.

Richards, Albert Edward, 1896—. Farmers' Business Organizations in Canada. 63p. il. Ottawa, Dept. of Agriculture.

Russell, Russell Clifford, 1896—. Studies of Take-all and its Causal Organism, *Ophiobolus Graminis* Sacc. 64p. il. diagrs. Ottawa, Dept. of Agriculture.

Sinclair, Robert David. Swine Production in Alberta. 90p. Edmonton, Univ. of Alberta, Dept. of Extension.

Art

Barbeau, Charles Marius, 1883—. Cornelius Krieghoff, Pioneer Painter of North America. 152p. front. pl. port. facsims. Toronto, Macmillan. $7.50.

Bull, William Perkins, 1870—. The Perkins Bull Collection; Historical Paintings by Canadian Artists, Illustrating Pioneers and Pioneering in the County of Peel. 143p. front. il. pl. ports. map, facsims. Brampton, Ont. Privately printed for the Founder of the Collection.

Sinclair, James George, 1879—. Progressive Drafting; bk. 1. 100p. diagrs. Vancouver, Clarke & Stuart. 75c.

Bibliography and Librarianship

Canada. Dept. of Public Printing and Stationery. Division of Documents. Catalogue of Official Publications of the Parliament and Government of Canada, 1934. 99p. Ottawa, King's Printer.

Canada. Parliament. Library. Annual Supplement to the Catalogue of the Library of Parliament; classified list of all books and pamphlets added to the Library from Jan. 1 to Dec. 31, 1933. ix, 145p. Ottawa, King's Printer.

A Joint Catalogue of the Periodicals and Serials in the libraries of the City of Toronto. 263p. Toronto, King's Printer.

McGill University. Library School. Quebec in Books; comp. by the Class of 1934, McGill University Library School, for the Fifty-sixth Annual Convention of the American Library Association, Montreal, June 25-30, 1934. 56p. front. il. Montreal, McGill Univ. Library. Paper.

McKim, A. Limited. McKim's Directory of Canadian Publications, twenty-seventh edition, 1934. Montreal, McKim. $3.

Biography

The Canadian Parliamentary Guide, 1934; ed. by Major A. L. Normandin. 667p. front. Ottawa, Mortimer Co. $4.

Clint, Mabel B. 1874—. Our Bit. 177p. Montreal, Barwick, for the Author. $1.25.

Corbett, Edward Annand. McQueen of Edmonton. vii, 125p. pl. port. Toronto, Ryerson. $2.50.

Ford, Frederick Samuel Lampson, 1869—. William Dunlop, 1792-1848. (rep. from Canadian Medical Assoc. *Journal*, Aug. 1931). 60p. Toronto, Albert Britnell Book Shop. 75c.

Grey Owl, "Washaquonasin", 1888-1938. Pilgrims of the Wild with a foreword by Hugh Eayrs. xxii, 282p. front. pl. port. Toronto, Macmillan. $3.75.

Howell, William Boyman, 1874—. F. J. Shepherd, Surgeon, his Life and Times. x, 251p. front, pl. ports. Toronto, Dent. $3.50.

Lauriston, Victor, 1881—. Inglorious Milton; an Unconventional Biography. 408p. Chatham, Ont. Tiny Tree Club. $2.

Middleton, Edgar Charles, 1894—. Beaverbrook, the Statesman and the Man. 256p. front. pl. ports. facsim. London, Stanley Paul. 9/6.

Montgomery, *Mrs.* **Lucy Maude (Macdonald), 1874—. Keith, Marian and McKinley, Mabel Burns.** Courageous Women. 203p. Toronto, McClelland & Stewart. $1.50.

Sharman, Lyon. Sun Yat-Sen, his Life and its Meaning; a Critical Biography. xvii, 418p. port. N.Y. Day. $3.50.

A Standard Dictionary of Canadian Biography, the Canadian Who Was Who, v.I, 1875-1933; ed. Charles G. D. Roberts and Arthur L. Tunnell. 562p. Toronto, Trans-Canada Press. $12.50.

Street, Arthur George. Farmer's Glory. xvii, 294p. Toronto, Macmillan. $2.

Ziegler, Olive. Woodsworth, Social Pioneer; an authorized sketch. 202p. Toronto, Ontario Pub. Co. $2.

Business, Finance and Trade

Annual Financial Review, The Canadian. July 1934; a carefully revised *précis* of facts regarding Canadian securities, comp. by W. R. Houston; v.34. xlvi, 1160p. Toronto, Houston's Standard Publications. $10 to subscribers only.

Canada. Dept. of Insurance. Report of the Superintendent of Insurance of the Dominion of Canada, 1932. Loan and Trust Companies, xliv, 164p. 50c. Report for year 1933, xlvi, 166p. 50c. V.I, Insurance Companies other than life, cclxxxv, 1245p. $1.75; V.2, Life Insurance Companies. ccclxv, 1015p. $1.25. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Census of Merchandising and Service Establishments. Retail trade, Nova Scotia. xxviii, 101p. Ottawa, King's Printer, 25c.

Canada. Dominion Bureau of Statistics. External Trade Br. Trade of Canada, fiscal year ended Mar. 31, 1933; 834p. $3. Trade of Canada, Imports for Consumption and Exports, calendar year 1933. 462p. 50c. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Internal Trade Br. Prices and Price Indexes, 1913-1932. 50c; same for 1913-1933. 50c. Ottawa, King's Printer.

Canadian Trade Index, 1934. 842p. Toronto, Can. Manufacturers' Assoc. $6.

Financial Post Directory of Canadian Directors and Officials, 1934-35. 382p. Toronto, MacLean Pub. Co.

Financial Post Survey of Corporate Securities, 1934. 304p. Toronto, MacLean Pub. Co.

Handbook of the Canadian Customs Tariff and Excise Duties; comp. by Michael P. McGoldrick. Montreal, McMullin. $4.

Haultain, Robert M. How to Make Your Business Live. 216p. Toronto, Financial Post. $2.

Trigge, Arthur St. Lawrence, 1869? —. A History of the Canadian Bank of Commerce; with an account of the other banks which now form part of its organization; v.III, 1919-1930. xv, 576p. front. pl. port. Toronto, Rous & Mann for the Canadian Bank of Commerce.

Children's Books

Campbell, Basil Berridge, 1889—. Tony, a Truly, Truly Story, or Something of That Sort; drawings by Kay Bell. 113p. il. Toronto, Ryerson. $1.50.

Corbett, Edward Annand. Blackfoot Trails. 139p. col. front. pl. Toronto, Macmillan. $1.75.

Gaither, *Mrs.* **Frances Ormond (Jones) 1889—.** The Scarlet Coat; illus. by Harvé Stein. 205p. map. Toronto, Macmillan. $2.50.

Lamprey, Louise, 1869—. The Tomahawk Trail; illus. by Stafford Good. xv, 313p. il. N.Y. Stokes. $2.50.

Lean, Mary. Joan of Glen Garland; a Canadian Girl Guide Story. 286p. il. Toronto, Upper Canada Tract Soc. $1.25.

Munro, Kathryn (Tupper). Whiskers in Lilactown. 61p. Kentville, N.S. Kentville Pub. Co. for the Author. $1.

Orton, *Mrs.* **Helen (Fuller) 1872—.** The Gold-laced Coat; a story of old Niagara; drawings by Robert Ball. x, 226p. maps. Toronto, McClelland & Stewart. $2.

Saunders, Marshall. Beautiful Joe; new and rev. ed. xii, 266p. front. il. pl. Toronto, McClelland & Stewart. $1.25.

Steiner, Florence, 1877—. Toy Balloons; illus. by Elsie Deane. 64p. pl. Toronto, Ryerson. $1.

Strang, Herbert, *ed.* Early Days in Canada, Stories of Discovery and Conquest. vii, 320p. il. London, Oxford. 3/6.

Thompson, Dora Olive, *d.* **1934.** Kathleen and Peter; il. by E. Baker. 271p. Toronto, Upper Canada Tract Soc. $1.25.

Education

Ontario. Dept. of Education. Schools and Teachers in the Province of Ontario, Elementary, Secondary, Vocational, Normal and Model Schools, Nov. 1934. 722p. Toronto, King's Printer. $1.

Weir, George Moir, 1885—. The Separate School Question in Canada and Related Issues. viii, 298p. Toronto, Ryerson. $2.50.

Women's International League for Peace and Freedom. Report of the Canadian School History Textbook Survey under the auspices of the Toronto branch of the Women's International League for Peace and Freedom, convener, Isa M. Byers; reports of readers correlated and

appraised by Professor Peter Sandiford, Director of Educational Research, Univ. of Toronto. 67p. Toronto, Baptist Book Room, for the League.

Fiction

Armistead, Lorna Margaret. The Death of Henrietta. 319p. Toronto, Nelson. $2.

Baldwin, Harold. Pelicans in the Sky; a novel. 311p. London, Murray. 7/6.

Boag, *Mrs.* Isabel. Chimneys. 291p. London, Heath Cranton. 7/6.

Callaghan, Morley, 1902—. Such Is My Beloved. 288p. N.Y. Scribner. $2.

De La Roche, Mazo, 1885—. Beside a Norman Tower; with illus. by A. H. Watson. xi, 247p. front. il. Boston, Little, Brown. $2.

Dix, Maurice Buxton. The Flame of the Khan. 256p. 3/6. The Fleetwood Mansions Mystery. 317p. 7/6. Murder at Grassmere Abbey. 320p. 7/6. London, Ward, Lock.

Goodchild, George (Alan Dare, Wallace Q. Reid, *pseuds.*) 1888—. Saskatoon Patrol. 252p. London, Collins. 7/6.

Gordon, Charles William (Ralph Connor, *pseud.*) 1860-1937. Torches Through the Bush; a tale of Glengarry. 300p. Toronto, McClelland & Stewart. $2.

Grahame, Gordon Hill, 1893—. The Gentleman. 288p. Toronto, Ryerson. $2.

Gray, Archie William, 1896—. The Towers of Mont St. Eloi. 272p. front. Rodney, Ont. Gray Print. Co.

Griffin, George H. Legends of the Evergreen Coast. Vancouver, Clarke & Stuart. $2.

Hendryx, James Beardsley, 1880—. The Yukon Kid. vi, 294p. N.Y. Doubleday. $2.

Knister, Raymond, *d.* 1932. My Star Predominant. 319p. Toronto, Ryerson. $2.

Lehner, Adolph Philip. When the Trail Calls; a Story of the North Country portraying the loves and perils of Canadian Mounted Police. 250p. Boston, Meador. $2.

Leigh, Ursula (*Mrs.* Kenneth H. Gwynn) 1886—. Give Me My Robe. 317p. London, Unicorn Press. 7/6.

Lyttleton, Edith J. (G. B. Lancaster, *pseud.*) The World Is Yours. 322p. N.Y. Appleton-Century. $2.50.

McClintock, Gray. Itinerants of the Timber Lands. 286p. N.Y. Crowell. $2.

Molnar, Eugene Frank, 1891—. The Slave of Ea, a Sumerian Legend. 299p. Philadelphia, Dorrance. $2.

Mowery, William Byron. Challenge of the North. 298p. Toronto, McClelland & Stewart. $2.25.

Munday, Albert H. No Other Gods; a Novel of Saskatchewan. vii, 271p. Boston, Meador. $2.

Neil, Stephen, 1877—. All the King's Men. 322p. Toronto, Macmillan. $2.

Osler, Eric Richard, 1900—. (T. Dick, *pseud.*) Valley of Eden; a Tale of the Present Day Canadian Northland. 287p. London, Long. 7/6.

Ostenso, Martha, 1900—. The White Reef. 288p. Toronto, Dodd. $2.25.

Parker, *Mrs.* Alice Elizabeth, 1884—. Bonds in a Family. 212p. Victoria, B.C. C.V.I. Press. $1.50.

Robertson, James D. The Dream of Life. (Aisling na Beatha); foreword by the Rt. Rev. Lauchlan Maclean Watt. 356p. London, Williams & Norgate. 10/6.

Stringer, Arthur John Arbuthnott, 1874—. Man Lost. 328p. Toronto, McClelland & Stewart. $2.25.

Wees, *Mrs.* Frances Shelley, 1902—. Honeymoon Mountain. 318p. Philadelphia, Macrae Smith. $2.

Grammar and Textbooks

Mueller, Paul William, 1866—. A Grammar of the German Language. xxv, 378p. Toronto, Dent. $2.

Robertson, John Charles, 1864—*comp.* Latin Songs New and Old. 64p. Univ. of Toronto Press. 40c.

West, Michael P., Swenson, Elaine, and others. A Critical Examination of Basic English. 53p. Univ. of Toronto Press. 50c.

History

Byerly, Alpheus Edward, 1894—. Fergus or the Fergusson-Webster Settlement with an Extensive History of North-east Nichol; indexed and illus. with many rare photographs. x, 372p. il. pl. ports. maps. Elora, Ont. Elora Express, 1932-34. $3.50. $2.50.

Canadian Catholic Historical Association. Report, 1933-1934. 95p. Ottawa, the Association.

Canadian Veteran Associates. The Story of the Canadian Corps, 1914-1934; a record of the Canadian Corps reunion, Aug. 4, 5, 6, 1934; the Story of Canada in the Great War, 1914-1918 as recorded on the Walls of the Memorial Chamber in the Peace Tower in Ottawa, 1934. 87p. il. ports. facsim. Toronto, Canadian Veteran Associates. $1.

Colmer, Joseph Grose, 1856—. The Canada Club (London) Founded in 1810 after occasional Meetings of its Original Members for an Unknown Period Prior to that Year; some notes on its origin, constitution and activities. 132p. London, Committee of the Club.

Crouse, Nellis Maynard, 1884—. The Search for the Northwest Passage. 533p. front. pl. map. N.Y. Columbia Univ. Press. $4.

Cruikshank, Ernest Alexander, 1854—. *ed.* Records of Niagara; a collection of Contemporary Documents. 1812. (Niagara Hist. Soc. Pub. no. 43). 77p. port. Niagara-on-the-lake, Ont. The Society.

Cruikshank, Ernest Alexander, 1854—. *ed.* The Settlement of the United Empire Loyalists on the Upper St. Lawrence and Bay of Quinte in 1784; a documentary record. xiv, 188p. Toronto, Ontario Hist. Soc.

Dawson, Carl Addington. The Settlement of the Peace River Country; a study of a pioneer area; assisted by R. W. Murchie. (Canadian Frontiers of Settlement, ed. by W. A. Mackintosh and W. L. G. Joerg, v.6). xii, 284p. il. maps, diagrs. Toronto, Macmillan. $4.

De Witt, Norman Wentworth, 1876—. A Brief World History. xii, 832p. il. ports. maps. Toronto, Macmillan. $2.50.

Farmer, Samuel. On the Shores of Scugog; rev. enl. and illus.; line drawings by Marian Farmer. 256p. front. il. pl. ports. Port Perry, Ont. Port Perry Star.

Guillet, Edwin Clarence, 1898—. Toronto from Trading Post to Great City, with 167 illus. selected and arranged by the Author. xxii, 495p. front. il. pl. ports. facsims. Toronto, Ontario Pub. Co. $7.50.

Hudson's Bay Company. Hudson's Bay Company, a Brief History. 68p. il. maps. London, the Company. 75c.

Jefferys, Charles William, 1869—. Canada's Past in Pictures, written and illus. by Charles W. Jefferys. 131p. il. ports. Toronto, Ryerson. $3.

Jones, C. H. L. 1876—, and Raddall, Thomas H. 1903—. The Markland Sagas; illus. by Thomas W. Hayhurst. Liverpool, N.S. Mersey Paper Co.

Leacock, Stephen Butler, 1869—. Lincoln Frees the Slaves. (Great Occasions). 178p. il. N.Y. Putnam. $1.50.

Nottawasaga Centennial Celebration. Nottawasaga; "The Outburst of the Iroquois". 122p. il. ports. Nottawasaga, Ont. Historical Committee. 25c.

Ontario Historical Society. Papers and Records, vol. xxx. 312p. port. Toronto, The Society.

Roy, Charles-Eugène and Brault, Lucien. Historical Gaspé. 230p. il. pl. ports. map, facsim. Québec, Au Moulin Des Lettres.

Samuel, Sigmund, 1868—. *comp.* The Seven Years War in Canada, 1756-1763. xiv, 282p. front. pl. maps. Toronto, Ryerson. $6.

Scott, Frederick George, 1861—. The Great War as I Saw It. 2d and enl. ed. 347p. Vancouver, Clarke & Stuart. $2.

Seary, V. P. and Patterson, Gilbert. The Story of Civilization; illus. by C. V. Collins. 254p. il. maps. Toronto, Ryerson. $1.50.

Shotwell, James Thomson, 1874—. The Heritage of Freedom; the United States and Canada in the Community of Nations. (Univ. of Toronto. Pearson Kirkman Marfleet Lectures, 1932). xi, 136p. N.Y. Scribner. $1.75.

Simcoe, *Mrs.* Elizabeth Posthuma (Gwillim) 1766-1850. The Diary of Mrs. John Graves Simcoe, wife of the first Lieutenant-Governor of the Province of Upper Canada, 1792-6, with notes and a biography by J. Ross Robertson. xxix, 440p. front. il. pl. ports. maps, facsim. Toronto, Ontario Pub. Co. $2.50.

Steele, Harwood, 1897—. The Long Ride; a short history of the 17th Duke of York's Royal Canadian Hussars. 48p. Montreal, Gazette Print. Co. for the Regiment. 25c.

Stewart, Alexander McGinn. Réné Menard, 1605-1661; a life story which connects the Finger Lakes region of New York with France, Quebec, Georgian Bay and Wisconsin. 76p. Rochester, N.Y. the Author.

Strang, Herbert, *ed.* Pioneers in Canada; explorers and settlers in the far North and West. (Romance of the World). 320p. London, Oxford. 2/6.

Sykes, *Sir* Percy Molesworth, 1867—. A History of Exploration from the Earliest Times to the Present Day. xiv, 374p. front. pl. ports. maps. London, Routledge. 25/.

Trotter, Reginald George, 1888—. Canadian History; a syllabus and guide to reading; new and enl. ed. xiv, 193p. Toronto, Macmillan. $1.75.

Tyrrell, Joseph Burr, 1858—, *ed.* Journals by Samuel Hearne and Philip Turnor, ed. with introd. and notes by J. B. Tyrrell. (Champlain Soc. Pub. v.21). xviii, 611p. maps, plan, facsim. Toronto, The Society.

Wales, B. N. Memories of Old St. Andrews and Historical Sketches of the Seigniory of Argenteuil. 135p. Lachute, Que. Watchman Press.

Walker, Algernon Stanley, 1890—. Canada. (Modern states ser. no. 4). xii, 132p. maps. London, Arrowsmith. 3/6.

Wallace, William Stewart, 1884—. *ed.* Documents Relating to the North West Company. (Champlain Soc. Pub. v.XXII). xv, 527, xii p. Toronto, the Society.

Webster, John Clarence, 1863—. *ed.* Acadia at the End of the Seventeenth Century; letters, journals and memoirs of Joseph Robineau de Villebon, Commandant in Acadia, 1690-1700 and other contemporary documents. xiii, 232p. front. ports. maps, diagrs. St. John, N.B. New Brunswick Museum.

Whidden, David Graham, 1857—. The History of the Town of Antigonish. 209p. port. Wolfville, N.S. The Author.

Whitelaw, William Menzies, 1890—. The Maritimes and Canada before Confederation, with a foreword by Rt. Hon. Sir R. L. Borden, G.C.M.G. xiii, 328p. front. maps. Toronto, Oxford. $3.50.

Willson, Beckles, 1869—. Friendly Relations; a narrative of Britain's Ministers and Ambassadors to America, 1791-1930. viii, 350p. Toronto, McClelland & Stewart. $4.50.

Industries (not including Agriculture and Mining)

Brown, Nelson Courtlandt, 1885—. Logging—Principles and Practices in the United States and Canada. xvii, 284p. il. diagrs. N.Y. Wiley. $3.50.

Canada. Dominion Bureau of Statistics. Fisheries Statistics Branch. Fisheries Statistics of Canada, 1933. 281p. pl. map. Ottawa, King's Printer. 50c .

Canada. Dominion Bureau of Statistics. Fur Statistics Br. Report on the Fur Farms of Canada. 1931 and 1932. 203p. il. diagrs. Ottawa, King's Printer. 35c.

Canada. Dominion Bureau of Statistics. Mining, Metallurgical and Chemical Br. Chemicals and Allied Products in Canada, 1931-32. 147p. Ottawa, King's Printer. 25c.

Davis, Bruce Pettit, and Davis, Carroll Langstaff. The Davis Family and the Leather Industry. 1834-1934. 145p. front. il. pl. ports. Toronto, Ryerson.

Grant, Ruth Fulton. The Canadian Atlantic Fishery; with an editorial preface by H. A. Innis. xxiii, 147p. front. Toronto, Ryerson. $2.50.

Harrison, John Darley Braithwaite, 1896—. The Forests of Manitoba. 80p. maps, diagrs. Ottawa, King's Printer. 25c.

Hudson's Bay Company. Canada's Fur Bearers. 63p. il. Winnipeg, The Company.

Manual of the Textile Industry of Canada, 1934, and Directory. 151p. il. ports. diagrs. Montreal, Canadian Textile Journal Pub. Co.

Ontario. Hydro-Electric Power Commission. List of electrical equipment approved by the Hydro-Electric Power Commission of Ontario; 3d. ed. Feb. 1934. viii, 275p. Toronto, The Commission.

Law

Ball, John Arthur, Jr. Canadian Anti-Trust Legislation. vii, 105p. Baltimore, Williams & Wilkins. $2.

Canada. Dominion Bureau of Statistics. Judicial Statistics Br. Fifty-Seventh Annual Report of Statistics of Criminal and Other Offences for the Year Ended Sept. 30, 1932. xvii, 173p. Ottawa, King's Printer. 50c.

The Canadian Law List (Hardy's), 1934; Henry Cartwright, ed. Toronto, Can. Law List Pub. Co. $5.

Cartwright, Henry Lennox, 1905—. Law and Practice in Divorce and Matrimonial Causes in Ontario. xxiv, 174p. Toronto, Carswell. $5.

Cartwright, Henry Lennox, 1905—. The Ontario Statute Citator, 1934. Toronto, Can. Law List Pub. Co. $5.

Johnson, Walter Seely, 1890—. The Conflict of Laws, with Special Reference to the Province of Quebec. v.2. xlvii, 586p. Toronto, Carswell. $8.50.

Kennedy, William Paul McClure, 1881—. Essays in Constitutional Law. xv, 183p. London, Oxford Univ. Press. $2.50.

Snow, Francis Longueville. Snow's Landlord and Tenant in the Province of Quebec, 3d ed. by Lovell Caverhill Carroll. xxxix, 566p. Montreal, Southam Press.

Wigmore, John Henry, 1863—. A Supplement, 1923-1933 to the Second Edition (1923) of A Treatise on the System of Evidence in Trials at Common Law. xv, 1395p. Boston, Little Brown. $15.

Williams, Esten Kenneth, 1889—. Notes on the Canadian Law of Landlord and Tenant as Applied to Corporeal Hereditaments. 2d ed. li, 743p. Toronto, Carswell. $15.

Literature—Essays, Addresses, Etc.

Broadus, Edmund Kemper, 1876—, and Broadus, Eleanor (Hammond) *comps.* A book of Canadian prose and verse, comp. and with biographical notes by Edmund Kemper Broadus and Eleanor Hammond Broadus; new and completely rev. with additional material. xviii, 415p. Toronto, Macmillan. $2.50.

Bruce, Herbert Alexander, 1868—. Our Heritage and Other Addresses. xvi, 392p. port. Toronto, Macmillan. $2.50.

Burrell, Martin, 1858—. Crumbs are Also Bread. ix, 340p. Toronto, Macmillan. $2.50.

Canadian Club of Toronto. Addresses. V.XXXI, Season of 1933-34. xxiv, 458p. Toronto, Warwick Bros. & Rutter, for members only.

Douglas, Frances Mary and Lecocq, Thelma. Britannia Waives the Rules; a confidential guide to the customs, manners and habits of "The Nation of Shopkeepers"; illus. by Evan MacDonald. 113p. il. Toronto, Dent. $1.50.

Empire Club of Canada, Toronto. Addresses 1933-34, thirty-first year of issue. ix, 595p. port. Toronto, The Club. $1.

Heighington, Wilfrid, 1897—. Whereas and Whatnot. 152p. Toronto, Macmillan. $1.50.

Hendel, Charles William. Jean-Jacques Rousseau, Moralist. 2v. London, Oxford. 25/.

Johnson, Walter Seely, 1880—. Essays of Noon and Shadow. 159p. Montreal, Burton's Ltd. $1.35.

Lambie, Alexander, 1870—. A Stranger in Our Midst. 189p. Vancouver, the Author, 56 E. 23rd Ave. 65c and $1.75.

Leacock, Stephen Butler, 1869—. *comp.* The Greatest Pages of Charles Dickens. Garden City, N.Y. Doubleday Doran. $2.50.

Leacock, Stephen Butler, 1869—. The Perfect Salesman; ed. by E. V. Knox. vii, 151p. N.Y. McBride. $1.

Leacock, Stephen Butler, 1869—. Stephen Leacock. (Methuen's Library of Humour, ed. by E. V. Knox). vii, 151p. London, Methuen. 2/6.

McAree, John Verner, 1876—. The Fourth Column. xiii, 332p. Toronto, Macmillan. $3.

Papini, Giovanni, 1881—. Dante Vivo; tr. from the Italian by E. H. Broadus and A. Beneditti. 354p. il. London, Dickson. 12/6.

Medicine

Beach, Rex, 1877—. The Hands of Dr. Locke. 56p. pl. port. N.Y. Farrar & Rinehart. $1.

Bull, William Perkins, 1870—. From Medicine Man to Medical Man; a record of a century and a half of progress in health and sanitation as exemplified by developments in Peel. (Perkins Bull hist. ser. v.1). xviii, 457p. front. il. pl. ports. map, facsim. diagr. Toronto, Perkins Bull Foundation. $10.

Groves, Abraham, 1847-1935. All in the Day's Work, Leaves From a Doctor's Case Book, with a foreword by Ambrose Lorne Lockwood. xv, 181p. il. pl. port. Toronto, Macmillan. $3.

Kaiser, Thomas E., 1863—. *ed.* A History of the Medical Profession in the county of Ontario. 128p. il. pl. Oshawa, Ont. Munday-Goodfellow Print. Co. $3.

MacMurchy, Helen. Sterilization? Birth Control? 156p. Toronto, Macmillan. $1.50.

Siegel, Morris, 1889—. Constructive Eugenics and Rational Marriage. xiii, 196p. il. ports. Toronto, McClelland & Stewart. $2.50.

Mining and Metallurgy

Cairnes, Clive Elmore, 1892—. Slocan Mining Camp, British Columbia. 137p. pl. maps, diagrs. Ottawa, King's Printer. 50c.

Canada. Dept. of Mines. Mines Br. Investigations in Ore Dressing and Metallurgy, 1932. 287p. front. pl. diagrs. 50c. (Similar Reports: January to June, 1933; and July to December, 1933. 50c each). Investigations of Fuels and Fuel Testing, 1932. 155p. pl. diagrs. 50c. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Mining, Metallurgical and Chemical Br. Annual Report on the Mineral Production of Canada, 1932. 241p. map. 50c. Coal Statistics for Canada, 1933. 102p. pl. maps. diagr. 25c. Manufactures of the Non-Ferrous Metals in Canada, 1930-1932. 95p. 25c. Manufactures of the Non-Metallic Minerals in Canada, 1930-1932. 127p. 25c. Ottawa, King's Printer.

Canadian Mines Handbook, 1934; comp. by R. B. Housser and Co. 256p. Toronto, Northern Miner Press.

Contributions to Canadian Mineralogy, 1934; from the Department of Mineralogy and Petrography, University of Toronto. 56p. pl. ports. Univ. of Toronto Press.

Dolmage, Victor, 1887—. Geology and Ore Deposits of Copper Mountain, British Columbia. 69p. pl. map. Ottawa, King's Printer. 25c.

Goudge, Monson Fraser, 1895—. Limestones of Canada, their Occurrence and Characteristics; pt. 2, Maritime Provinces. (Canada. Dept. of Mines). 186p. il. maps, diagrs. Ottawa, King's Printer. 50c.

Irving, Sidney Louis. An Adventure of Iron Men in a World of Iron; the Romance of the Saint-Maurice forges. 60p. il. Three Rivers, Que. the Author. 50c.

O'Neill, John Johnston, 1886—, and Gunning, Henry Cecil, 1901—. Platinum and Allied Metal Deposits of Canada. 165p. front. maps, diagrs. Ottawa, King's Printer. 50c.

Robinson, Arthur Herbert Ashburner, 1873—. *comp.* The Mineral Industries of Canada 1933. (Canada. Dept. of Mines). vii, 116p. il. fold. map. Ottawa, King's Printer. 25c.

Philosophy and Psychology

Anderson, Fulton Henry. The Argument of Plato. viii, 216p. Toronto, Dent. $2.

Baillie, Adrian Stuart. Helping Ourselves. 257p. Vancouver, R. Wrigley. $2.

Bott, *Mrs.* **Helen (McMurchie) 1886—.** Personality Development in Young Children, St. George's School for Child Study. 139p. diagrs. Univ. of Toronto Press.

Chant, Sperrin N.F. Mental Training; a practical psychology. xii, 195p. Toronto, Macmilllan. $2.

Lamont, William Dawson. Introduction to Green's Moral Philosophy. 224p. London, Allen & Unwin. 7/6.

Lang, Sidney Edward, 1864—. The Story of Philosophy in verse. vii, 101p. Toronto, Macmillan. $2.

Poetry and Drama

Brace, A. J. Tu-Fu, China's Great Poet, the Bard of Tsao T'ang Ssu; a translation of some of Tu-Fu's poems written in Szechuan. 80p. pl. Chengtu, Sze. Rih Hsin Press.

Brown, Audrey Alexandra, 1904—. A Dryad in Nanaimo (as originally published in 1931); together with eleven new poems. viii, 120p. Toronto, Macmillan. $2.50.

Canadian Authors' Association. Calgary Branch. Collected Poems. 39p. Calgary, John D. McAra for the Association. 35c.

Canadian Authors' Association. Edmonton Branch. Alberta Poetry Year Book, 1934-35. 31p. Edmonton, I. A. Scouten, Sec.-Treas. 11337 94th St. 35c.

Canadian Authors' Association. Nova Scotia Branch. An Acadian Sheaf; selections from current Nova Scotian poetry, 1934. viii, 67p. Halifax, N.S. the Association. 50c.

Clarke, George Herbert, 1873—. Halt and Parley and Other Poems. vii, 30p. front. Toronto, Macmillan. $1.50.

Elson, John Mebourne, 1881—. Riders of the Dawn. 34p. Toronto, Macmillan. $1.25.

Garvin, Mrs. Amelia Beers (Warnock) (Katherine Hale, *pseud.***) 1878—.** The Island and Other Poems. 96p. Toronto, the Author, 98 Charles St. East. $1.50.

Gray, Alice Rowan. Kenilworth and Other Poems. 44p. front. (port.) il. Winnipeg, Peerless Press for the Author. 50c.

Jacobson, Percy Nathanial, 1886—. Accident. And Sendeth Rain. Not Only the Guppy. Rock Island, Ill. F. B. Ingram, Gansert Bldg. 50c each.

Kirkconnell, Watson, 1895—. The Eternal Quest. 135p. Winnipeg, Depression Press. $1.

Kirkwood, Kenneth P. Lyrics and Sonnets. 166p. Tokyo, the Author.

Larkin, Sarah, 1896—. Three Rivers, a Tale of New France; decorations by Charles Kirtland Stevens. 93p. front. N.Y. Putnam. $2.

Leslie, Kenneth. Windward Rock; poems, viii, 61p. Toronto, Macmillan. $1.50.

McComb, J. Faith, Hope and Love. Vancouver, Clarke & Stuart.

MacInnes, Tom, 1867—. High Low Along. 69p. Vancouver, Clarke & Stuart. $1.

MacMechan, Archibald McKellar, 1862-1933. Late Harvest. 54p. Toronto, Ryerson. $2.

Matheson, *Mrs.* **Mary.** To a Prairie Rose. Collingwood, B.C., the Author. 50c.

Miller, *Mrs.* **Margaret Gertrude (Lang), 1869—.** Gleanings Along the Highways; a collection of poems. 349p. port. Hamilton, Ont. Davis-Lisson, for the Author. $2.

Moodie, Marion E., 1867—. Songs of the West and Other Poems. (Ryerson poetry chaphooks). 23p. Toronto, Ryerson, for the Author. 50c.

Muncaster, Eric, 1889—. Gentlemen, The King! and Other Thoughts. 64p. front. Montreal, the Author, 1441 Drummond St. 50c.

Munro, *Mrs.* **Elizabeth V.** Bricks Without Straw. 19p. St. John, N.B. Wayside Press.

O'Flynn, *Mrs.* **Edith (Mulock).** Voices of the Dusk. 32p. Toronto, Oxford Univ. Press.

Porter, Jacke E. The Stopper's Out. 47p. Yarmouth, N.S. R. H. Davis. 75c.

Roberts, Charles George Douglas, 1860—. The Iceberg and Other Poems. 31p. Toronto, Ryerson. $2.50.

Roberts, Theodore Goodridge, 1877—. The Leather Bottle. viii, 87p. Toronto, Ryerson. $2.

Ruark, Fletcher, 1880—. Jecila and Other Poems. 85p. Windsor, Ont. Curtis Co. for the Author. $2.

Ryan, Oscar, Cecil-Smith, E., Francis, H. and Goldberg, Mildred. Eight Men Speak. 43p. Toronto, Progressive Arts Club of Canada. 20c.

Scott, Frederick George, 1861—. Collected Poems. 199p. port. Vancouver, Clarke & Stuart. $3.

Sutherland, Anne. Blue Dusk and Other Poems. 63p. Toronto, the Author. 75c.

Swift, Sherman, C. and Marquis, Thomas Guthrie, 1864—. The Voyages of Jacques Cartier. Toronto, Allen. $1.

Taylor, Lilian. White Mists of Acadie. Wolfville, N.S. Acadia Print. 35c.

Vancouver Poetry Writers' Group. Poems, 1933-34. 39p. Vancouver, Commonwealth Press. 50c.

Waddell, Jean Percival. Down Aisles of Calm. 80p. Toronto, Ryerson. $1.50.

Whitehouse, Francis Cecil. Canadian and Other Poems. 122p. Toronto, Ryerson. $2.

Political Economy, Politics and Current Events

Alberta. Legislative Assembly. Agricultural Committee. The Douglas System of Social Credit; evidence, Session 1934. 127p. Edmonton, King's Printer.

Armstrong, Philip Christian, 1883—, and Robinson, Francis Evan Malligaum, 1893—. City and Country; a study in Fundamental Economics. xi, 145p. Toronto, Macmillan. $2.

Armstrong, Rinaldo William. Youth and the Crisis. Ottawa, Christian Commonwealth Youth Movement. 25c, 50c cloth.

Bastiat, Frédéric, 1801-1850. Economic Fallacies. 201p. Ottawa, R. J. Deachman. $2.

British Commonwealth Relations Conference. 1st, Toronto, 1933. Proceedings of the First Unofficial Conference at Toronto, 11-21 Sept., 1933; ed. by Arnold J. Toynbee, with a foreword by the Rt. Hon. Sir R. L. Borden. xiv, 235p. Oxford Univ. Press. 10/6.

Canada. Dept. of Labour. Labour Legislation in Canada, 1933. xii, 48p. 25c. Twenty-second Annual Report on Labour Organization in Canada for 1932. 145p. diagrs. 25c. Twenty-third Annual Report on Labour Organization in Canada for 1933. 203p. diagrs. 50c. Wages and Hours of Labour in Canada, 1929, 1932 and 1933. 73p. Ottawa, King's Printer.

Canada. Parliament. House of Commons. Special Committee on Price Spreads and Mass Buying. Proceedings and Evidence. 3v. lxix, 3936p. diagrs. Ottawa, King's Printer. $2.

Canadian Institute of International Affairs. The Canadian Economy and its Problems; papers and proceedings of study groups of members, 1933-34; ed. by H. A. Innis and A. F. W. Plumptre. 356p. diagrs. Toronto, the Institute. $2.50.

Canadian Political Science Association. Papers and proceedings of the Sixth Annual Meeting, v.6, Montreal, Quebec, May 1934. 284p. Kingston, Ont., the Jackson Press, for the Association. $3.

Chalmers, Floyd Sherman, 1898—. Codes for Canada. 47p. il. Toronto, Financial Post. 25c.

Conference on Limitation and Reduction of Armaments, Geneva, 1932-34. Report. 75p. Ottawa, King's Printer. 25c.

Contributions to Canadian Economics. v.7, 1934. (Univ. of Toronto. Studies, Hist. and Economic ser.). 186p. Univ. of Toronto Press. $1.50.

Curry, Samuel G. Stable Gold Standard in Relation to Prices of Commodities, Automatically and Arithmetically Correct. 63p. Toronto, the Author, 64 Warren Rd.

Fay, Charles Ryle, 1884—. Imperial Economy and its Place in the Formation of Economic Doctrine, 1600-1932. 151p. Oxford, Clarendon Press. $1.75.

Fisher, Harold, 1888—. A Series of Articles and Addresses on Current Economic Problems, 1932-1934. 61p. Montreal, M. Fisher Sons.

Forsey, Eugene Alfred. Dividends and the Depression. (League for Social Reconstruction. Pamphlet, no. 1). 35p. Toronto, Nelson. 25c.

Great Britain. Dept. of Overseas Trade. Economic Conditions in Canada, 1933-34; Report of F. W. Field. London, H.M. Stationery Office. 4/6.

Harris, W. Eric. The New Deal in Canada. vi, 139p. Toronto, Ryerson. $1.25 paper.

Hedges, James Blaine. The Federal Railway Land Subsidy Policy of Canada. viii, 151p. Cambridge, Mass. Harvard Univ. Press. $1.25.

Institute of Pacific Relations. Problems of the Pacific, 1933; economic conflict and control; proceedings of the Fifth Conference of the Institute of Pacific Relations, Banff, Canada, 14-26 Aug., 1933, ed. by Bruno Lasker and W. L. Holland. xvi, 490p. London, Oxford. 21/-

International Boundary Commission (Canada and United States) 1908—. Joint Report upon the Survey and Demarcation of the Boundary between the United States and Canada from the Source of the St. Croix River to the Atlantic Ocean. xiv, 318p. il. maps. Washington, U.S., Govt. Print. Office.

International Joint Commission (Canada and United States) 1909—. Final Report on the Rainy Lake Reference, Washington-Ottawa, 1934. 82p. map. Ottawa, King's Printer.

McConnell, Stanley, 1890—. Bitter Fruit; an Audit of the Capitalistic System. xi, 175p. Toronto, Commonwealth Pub. $1.50.

Mackintosh, William Archibald, 1895—. Prairie Settlement, the Geographical Setting. (Canadian Frontiers of Settlement, ed. by W. A. Mackintosh and W. L. G. Joerg, v.1). xv, 242p. il. pl. maps, diagrs. Toronto, Macmillan. $4.

Moore, William Henry, 1872—. Yellow Metal. xxvi, 203p. Toronto, Printers Guild.

St. Anne de Bellevue. Community Club. The New Deal vs. the Old System of Exploitation. 238p. Gardenvale, Que., the Club.

Shotwell, James Thomson, 1874—, *ed.* Origins of the International Labor Organization. (Carnegie Endowment for International Peace. Paris Peace Conference, Hist. and documents). xxx, 497; xii, 592p. N.Y. Columbia Univ. Press. $10.

Solloway, Isaac William Cannon, 1886—. Canada's Destiny—Random Thoughts of a Speculator. 113p. Toronto, Political & Economic Pub. Co. 50c.

Toronto. Committee to Enquire into Housing Conditions in the Several Areas of the City of Toronto. Report of the Lieutenant-Governor's (Col. the Hon. H. A. Bruce) Committee on Housing Conditions in Toronto. vi, 142p. il. maps, diagrs. Toronto, Hunter-Rose.

Trades and Labor Congress of Canada. Report of the Proceedings of the 50th Annual (Golden Jubilee) Convention, held at the City of Toronto, Ontario, Sept. 10-14, 1934. 206p. Ottawa, the Congress.

Tutte, William Albert, 1886—. Douglas Social Credit for Canada. 286p. diagrs. Vancouver, Social Credit Pub. Co. $2.

Van Paasen, Pierre and Wise, James Waterman, *eds.* Nazism; An Assault on Civilization; by Alfred E. Smith [and 17 others]; with a preface by Robert F. Wagner. xii, 313p. N.Y. Harrison Smith & Robt. Haas. $2.50.

Wolfenden, Hugh Herbert, 1892—. Unemployment Funds; a survey and proposal; a study of unemployment insurance and other types of funds for the financial assistance of the unemployed. xviii, 229p. Toronto, Macmillan.

Religion

Atkinson, Sam. My Catholic Neighbors. 286p. Toronto, Trinity Pub. Co. $2.

Bennett, John Martin. Manual of Suggestions in Catechetics. 182p. Toronto, Catholic Church Extension Society of Canada.

Bowles, Richard Pinch, 1864—. Socialism, Pacifism, Mysticism; three lectures delivered to the alumni of Emmanuel College, Victoria Univ., Univ. of Toronto. 90p. Toronto, Ryerson.

Cameron, William A. Songs of the Ages. xi, 201p. Toronto, McClelland & Stewart. $1.50.

Church of England in Canada. The Year Book and Clergy List, 1934. 205p. pl. ports. Toronto, General Synod of the Church of England in Canada. $1.

Houldershaw, Jessie Ansley. Findings in the Scripture; or, Fulfilled Prophecy. 77p. Jerusalem, Palestine, the Author, box 216. 30c.

Housser, Levi. The Way and the Truth. 87p. Hawkesville, Ont., the Author.

Hughes, Albert, 1888—. The glory of the Godhead in the Gospel of John. 176p. Toronto, Evangelical Pub. $1.

Kreciszewski, Laoislaw Joseph, 1897—. Sunday Gospels for the Layman with an introd. by the Rt. Rev. Msgr. T. W. Morton. 310p. pl. Winnipeg, F. J. Tonkin. $1.

MacNeill, John James, 1874—. Reality in Religion. 158p. Philadelphia, Judson Press. $1 or $1.10.

Maine, Star Floyd, 1893—. Early Methodism in Upper Canada. 64p. Chicago.

Murdoch, Benedict Joseph, 1886—. Alone with Thee, Readings for the Holy Hour. ix, 173p. Milwaukee, Bruce Pub. Co. $1.50.

Pegis, Anton Charles. St. Thomas and the Problem of the Soul in the Thirteenth Century. (St. Michael's Medieval Studies). 213p. Toronto, St. Michael's College. $2.50 paper.

Presbyterian Church in Canada. The Acts and Proceedings of the Sixtieth General Assembly, Toronto, Ont., June 6-14, 1934. 298, vii p. Toronto, Murray Print. Co.

Roberts, Richard, 1874—. That strange Man upon His Cross. 139p. N.Y. Abingdon Press. $1.25.

Silcox, Claris Edwin, 1888—, and Fisher, Galen Merriam, 1873—. Catholics, Jews and Protestants; a study of relationships in the United States and Canada. xvi, 369p. N.Y. Harper, for the Institute of Social and Religious Research. $2.50.

Souvenir Booklet of the Visit to Toronto of His Eminence Cardinal Villeneuve, O.M.I., Archbishop of Quebec, June 5-9, 1934. 83p. il. ports. Toronto, St. Michael's College. Free.

Tombs, Guy, 1877—. One Hundred Years of Erskine Church, Montreal, 1833 to 1933. 122p. il. pl. Montreal, Erskine-American United Church.

United Church of Canada. Year Book, 1934 (1933). 725p. Toronto, the Church.

Wallace, Archer, 1884—. The Religious Faith of Great Men. 217p. N.Y. Round Table Press. $2.

Wrong, Margaret. Africa and the Making of Books; being a survey of Africa's need of literature. 56p. London, International Committee on Christian Literature for Africa. 6d.

Science

Brown, Harcourt. Scientific Organizations in Seventeenth Century France (1620-1680). (History of Science Soc. Pub. n.s. 5). xxii, 306p. Baltimore, Williams & Wilkins. $3.

Burton, Eli Franklin, 1879—, *ed.* The Phenomenon of Superconductivity; ed. by E. F. Burton, head of the Department of Physics, University of Toronto, assisted by the following members of the Department, Colin Barnes, J. O. Wilhelm, Arnold Pitt, H. Grayson Smith, J. F. Allen and A. C. Young. 112p. il. diagrs. Univ. of Toronto Press. $2.

Cain, Roy F. Studies of Coprophilous Sphaeriales in Ontario. (Univ. of Toronto. Studies, Biological ser. no.38). 126p. il. Univ. of Toronto Press.

Cameron, Thomas Wright Moir, 1894—. The Internal Parasites of Domestic Animals; a manual for veterinary surgeons. xii, 292p. il. London, A. & C. Black. 15/.

Canada. Geodetic Survey. Triangulation in South-Eastern Ontario and Montreal Area; by J. E. R. Ross (Pub. 55). 152p. il. maps, diagrs. Ottawa, King's Printer. $1.

Contributions to Canadian Mineralogy, 1934; from the Department of Mineralogy and Petrography, University of Toronto. 56p. pl. port. diagrs. Univ. of Toronto Press. 50c.

Cornish, George Augustus, 1872—. Senior Chemistry. 685p. Toronto, Copp Clark. $2.50.

Foran, Herbert Paul, 1896-1933. Thoughts on Science. x, 209p. front. ports. Montreal, Gazette Print. Co.

Johnston, William Alfred, 1874—. Surface Deposits and Ground-water Supply of Winnipeg Map-area, Manitoba. v, 110p. map. Ottawa, King's Printer.

Ricker, William E. An Ecological Classification of Certain Ontario Streams. (Ontario Fisheries Research Laboratory). 114p. maps. diagrs. Univ. of Toronto Press. $1.

Royal Canadian Institute. Transactions. v.20, pt. 1, Sept. 1934. 168p. il. pl. diagrs. Univ. of Toronto Press. $2.

Royal Society of Canada. List of Officers and Members and Minutes of Proceedings, 1934. (Trans. 1934; 3rd ser. v.28). 19, cxxxiv p. ports. Ottawa, the Society.

Sierpinski, Waclaw, 1882—. Introduction to General Topology; tr. by C. Cecilia Krieger. x, 238p. Univ. of Toronto Press. $4.

Taverner, Percy Algernon, 1875—. Birds of Canada. (National Museum of Canada). 445p. il. pl. Ottawa, King's Printer. $2.

Taverner, Percy Algernon, 1875—, and Sutton, George Miksch, 1898—. The Birds of Churchill, Manitoba. (Reprinted from the Annals of the Carnegie Museum, v. XXIII, 1934). 83p. xiii, pl. map.

Ulke, Titus, 1866—. The Flora of Yoho Park, British Columbia. 89p. pl. maps. Washington, Catholic Univ. of America. $1.25 paper.

Sport

Bull, William Perkins, 1870—. From Rattlesnake Hunt to Hockey; the history of sports in Canada and of the sportsmen of Peel, 1798 to 1934. (Perkins Bull hist. ser. v.2). xxvii, 564p. il. pl. ports. map, facsims. music. Toronto, Perkins Bull Foundation. $10.

Hewitt, Foster. Down the Ice. 140p. il. ports. Toronto, Saunders. $1.50.

Nobbs, Percy Erskine, 1875—. Salmon Tactics. xi, 147p. front. pl. diagrs. London, P. Allan. 10/6.

Statistics and General Works

Canada. Dominion Bureau of Statistics. Original Monthly Statistics of Chief Economic Importance Covering the Post-War Period from 1919 to 1933, Together with Illustrative Charts. 85p. diagrs. Ottawa, Dept. of Trade and Commerce.

Canada. Dominion Bureau of Statistics. Seventh census of Canada, 1931. v.II, Population by Areas. 939p. maps. 75c. v.IV, Cross-Classification. xx, 1413p. 75c. v.VI, Unemployment. xxviii, 1319p. 75c. v.X, Merchandising and Service Establishments, part 1; Retail merchandise trade, summary for Canada and statistics for Provinces, Cities, Towns and Counties or Census Divisions. lxxxiii, 1077p. diagrs. 75c. v.XI, Merchandising and Service Establishments, part II; Retail services, wholesale trade, retail chains, hotels; distribution of sales of manufactures. xii, 1298p. $1. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Vital Statistics, 1932; Twelfth Annual Report. 431p. Ottawa, King's Printer. $1.

Canada, 1934; the Official Handbook of Present Conditions and Recent Progress. 192p. il. ports. map, diagrs. Ottawa, Dominion Bureau of Statistics. 25c.

Canadian Almanac and Legal and Court Directory, 1934; ed. by Horace C. Corner. 656p. map. Toronto, Copp Clark. $6.

Canadian Annual Review of Public Affairs, 1933; a current history of Canada's political and economic affairs and of her Imperial and International relations; thirty-second year of issue. 660p. diagrs. Toronto, The Canadian Review Co. Ltd. $8.

5000 Facts About Canada; comp. by Frank Yeigh, 1934 ed. 72p. maps. Toronto, Canadian Facts Pub. Co. 35c.

Ontario. Dept. of Municipal Affairs. Municipal Statistics, 1933; including reports of municipal water works and gas systems and provincial municipal audits. 75p. Toronto, King's Printer.

Statistical Year Book of Quebec, 1934. xxv, 489p. diagrs. Quebec, King's Printer.

Transportation

Canada. Dept. of Marine. Navigation Conditions in Hudson Bay and Strait during Season of Navigation 1933. 75p. front. pl. map. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Transportation and Public Utilities Br. Statistics of Electric Railways of Canada for 1932. 63p. 25c. Statistics of Steam Railways of Canada for 1932. 206p. 50c. Statistics of Steam Railways of Canada for 1933. 203p. 50c. Ottawa, King's Printer.

Ireland, Tom, 1895—. The Great Lakes-St. Lawrence Deep Waterway to the Sea. xiv, 223p. front. pl. maps. N.Y. Putnam. $2.

Toronto. Board of Harbour Commissioners. The Port and Harbour of Toronto, 1834-1934, Centennial Year. 63p. il. ports. map, facsims. Toronto, the Board.

Wallace, Frederick William, 1886—. Canadian Ports and Shipping Directory, 1934. 308p. front. il. map, plan. Gardenvale, Que. National Business Pubs. $5.

Travel and Description

Almon, Albert, 1873—. Louisbourg, the Dream City of America; pt. 1. 85p. front. il. port. maps, facsims, diagrs. Truro, N.S. News Pub. Co. $1.

Barker, Bertram. North of '53; the adventures of a trapper and prospector in the Canadian far north; with 20 illus. and an end-paper map. ix, 242p. front. pl. ports. London, Methuen. 7/6.

Bethune, William Clark, 1896—, *comp.* Canada's Eastern Arctic, its History, Resources, Population and Administration; assembled for the Northwest Territories Council. 166p. il. port. maps. Ottawa, King's Printer.

Bott, B. and Tuckermann, W. Alberta (Handwörterbuch des Genzund Ausland-Deutschturns). Breslau, Ferdinand Hirt.

Chamberlain, James Franklin, 1869—. Canada, The Land of the Maple Leaf. 215p. il. pl. Los Angeles, Calif. Overland-Outwest Pub. Co. $1.

Dennis, Clara. Down in Nova Scotia: My Own, My Native Land; illus. with photographs taken by the Author. 410p. pl. Toronto, Ryerson. $2.50.

Fønhus, Mikkjel, 1894—. Ontarioskogen; Skildringer fra Nordmenns Skogsarbeiderliv I Canada. 164p. Oslo, H. Aschehoug.

Forster, Victor Wadham, 1909—. Vancouver Through the Eyes of a Hobo. 64p. port. Vancouver, McCormick Press. 50c.

Godsell, Philip Henry. Arctic Trader; an account of twenty years with the Hudson's Bay Company. viii, 329p. pl. port. N.Y. Putnam. $3.50.

Gordon, William Austin, 1885—. Lake Erie's Isle of Romance. 56p. il. Port Dover, Ont., the Author, Photo Print Shop. 50c.

Götsch-Trevelyan, *Frau* **Katharine, 1908—.** Unharboured Heaths. 221p. front. pl. ports. London, Selwyn & Blount. 8/6. Toronto, McClelland & Stewart. $2.50.

Grenfell, Sir Wilfred Thomason, 1865—. The Romance of Labrador. xiv, 329p. front. il. pl. N.Y. Macmillan. $4.

Hayes, Alfred Parker. Canada. (S.P.G. handbooks, new ser.). 83p. pl. map. London, Soc. for the Propagation of the Gospel in Foreign Parts. 1/-.

Hutchison, Isobel Wylie. North to the Rime-ringed Sun being the record of an Alaskan-Canadian journey made in 1933-34. viii, 262p. front. pl. ports. map. Glasgow, Blackie. 12/6.

Irwin, Alan Maurice. "—And Ships—and Sealing Wax." viii, 285p. il. Toronto, Macmillan. $2.

Macaulay, R. H. H. Trading into Hudson's Bay; a narrative of the visit of Patrick Ashley Cooper, Thirtieth Governor of the Hudson's Bay Company, to Labrador, Hudson Strait and Hudson Bay in the year 1934. 108p. il. map. Winnipeg, Hudson's Bay Co. $4.

MacKay, Janet. Interlude in Ecuador. 214p. il. map. London, Duckworth. 10/6.

Major, Frederick William, 1874—. Manitoulin, The Isle of the Ottawas; being a handbook of historical and other information on the Grand Manitoulin Island. iv, 84p. Gore Bay, Ont. Recorder Press. $1.25.

Middleton, Jesse Edgar, 1872—. Toronto's 100 Years. 228p. front. il. ports. map. Toronto, Centennial Committee. 50c.

Mirsky, Jeannette. To the North! The Story of Arctic Exploration from the Earliest Times to the Present. xx, 386p. il. pl. ports. maps, facsims. N.Y. Viking Press. $3.75.

Nova Scotia. Bureau of Information. Nova Scotia Tour Book; an Official Guide to the Main Roads of Nova Scotia, 1934; comp. and copyrighted by Provincial Bureau of Information. 199p. maps. Halifax, N.S., the Bureau.

Nova Scotia. Dept. of Highways. Historic Nova Scotia. 96p. il. ports. Halifax, the Department.

Powell, Edward Alexander, 1879—. Marches of the North; from Cape Breton to the Klondike. (Century Vagabond Travel Books). 321p. il. maps. N.Y. Grosset. $1.

Robertson, Douglas Sinclair, 1877—. To The Arctic with the Mounties. 309p. pl. map. Toronto, Macmillan. $2.50.

Ross, Colin, 1885—. Zwischen U.S.A. und Den Pol; Durch Kanada, Neufundland, Labrador und die Arktis; mit 71 abbildungen und einer karte. 310p. front. pl. port. map. Leipzig, Brockhaus. 6 marks.

Stern, J. A. To Hudson Bay by Paddle and Portage; with an introd. by Wallace W. Kirkland. 54p. Chicago.

Sutherland, John Campbell, 1860—. The Romance of Quebec. viii, 246p. il. maps. Toronto, Gage. $1.

Sutton, George Miksch, 1898—. Eskimo Year; a Naturalist's Adventures in the Far North; il. with drawings and photographs by the author and with photographs by several men of the north country. xiii, 321p. il. pl. ports. N.Y. Macmillan. $3.

Turton, M. Conway. Cassiar. x, 123p. front. Toronto, Macmillan. $2.

French-Canadian Books

L'Académie Canadienne Saint-Thomas d'Aquin. [Actes et travaux]. v.3 (1932). Québec, L'Action Catholique.

Almanach de l'Action Sociale Catholique, 1933. Québec, L'Action Sociale Catholique. 50c.

Almanach de la langue française. v.20 (1935). Montréal, Lévesque.

Andrieux, Georges. Importants Livres et Manuscrits Relatifs aux Amériques et à la Guerre d'Independance, très Précieux Documents Originaux sur la Découverte et Colonisation du Canada et de la Louisiane, Manuscrits Autographes de La Pérouse, Rochambeau, etc. Vente à Paris, Hôtel Drouot, salle 9, les 18 et 19 Juin 1934. 130p. Abbeville, France, Impr. F. Paillart.

Arcand, Adrien. Exposé des Principes et du Programme du Parti National Social Chrétien. 55p. Montréal, Le Patriote.

Archambaut, Joseph-Papin, 1880—. La Menace Communiste au Canada; lettre-préface de S. Em. le Cardinal Villeneuve. (Publication Mensuelle, 254-55). 64p. 25c. Pour un Catholicisme Conquérant. 175p. 50c. Montréal, L'Ecole Sociale Populaire.

Archambaut, Joseph-Papin, 1880—. Vingt-cinq ans de Retraites Fermées, 1909-1934. 55p. Montréal, Impr. du Messager.

L'Association Catholique de la Jeunesse Canadienne-Française. *Congrès* (Nicolet, 1934). L'établissement des Jeunes au Canada Français. (Les Oeuvres Sociales). 130p. Montréal, Lévesque. 60c.

Auclair, Elie-Joseph Arthur 1866—. Saint-Jérôme de Terrebonne. 365p. pl. port. facsim. Saint-Jérôme, Labelle.

Audet, Francis Joseph, 1867—. Les Députés de Saint-Maurice (1808-1838) et de Champlain (1830-1838). 78p. Les Députés de la Région des Trois-Rivières, 1841-1867. 91p. Le Comté de Maskinongé (1853-1867); notes historiques, statistiques, et biographiques. 51p. (Pages trifluviennes, séries A, no. 12, 13, and 16. Chaque no. 50c). Trois-Rivières, Les Editions du Bien Public.

Barbeau, Charles Marius, 1883—. Au Coeur de Québec. 201p. Montréal, Les Editions du Zodiaque. 75c.

Barbeau, Charles Marius, 1883—. La Merveilleuse Aventure de Jacques Cartier. (Documents Historiques). 117p. pl. port. Montréal, Lévesque. 75c.

Beaudoin, Marcel. Sous le Ciel du Vieux Québec. 152p. il. Montréal, n.p.

Benoit, Pierre. La vie Inspirée de Jeanne Mance. (Figures Canadiennes). 213p. Montréal, Lévesque.

Blanchard, Raoul, 1877—. La Géographie de l'Industrie; préf. de Henry Laureys. (Ecole des Hautes études Commerciales de Montréal. Publications). 174p. Montréal, Beauchemin.

Bonhomme, Joseph, *Bishop,* **1889—.** Noir Or; le Basutoland, Mission Noire, Moisson d'Or. 277p. Montréal, Les Missionnaires Oblats de M.I. [1934?].

Bordeaux, Henry, 1870—. Nouvelle et Vieille France; une Mission au Canada. ii, 238p. il. Paris, Plon. frs.12.-

Boyer, Jean. La vie Romanesque de Maurice Chevalier. (Collection étrangère). 228p. Montréal, Lévesque. 75c.

Brouillette, Benôit. La Chasse des Animaux à Fourrure au Canada. (Géographie Humaine). xvi, 205p. il. maps. Paris, Gallimard. frs.30.-

Bruchesi, Jean. L'Epopée Canadienne (pour la Jeunesse); il. de René Chicoine et Jean-Paul Lemieux. (Albums historiques). 203p. il. map. Montréal, Lévesque. 75c.

Bruyssel, Ferdinand Van. Jean Vadeboncoeur et Marie-Anne Lafrance, Canadiens-Français. 417p. Paris, Revue Mondiale. frs.25.-

Bugnet, Georges. Siraf; Etranges Révélations. 187p. Montréal, Editions du Totem.

Caddell, Cecilia Mary, 1813?-1877. Perdue et Retrouvée! [d'après la Traduction de l'Anglais]. 267p. pl. port. Montréal, Monastère Provinciale du Bon-Pasteur.

Le Canada Ecclésiastique, Annuaire du Clergé pour l'année 1934. v.48. Montréal, Beauchemin. $2.00, bd.

Le Canada et la Paix Mondiale, un Projet d'Etude National; discours radiodiffusé. Ottawa, League of Nations Society in Canada.

Centenaire de la Paroisse Saint-Isidore, Comté de Laprairie, 19 août, 1934. 64p. il. port. N.p.

Chapais, Thomas. Cours d'Histoire du Canada. v.5-8. Québec, Garneau, 1932-1934. $1.50 each v.

Chinard, Gilbert. L'Amérique et le Rêve Exotique dans la Littérature Française au XVIIe et au XVIIIe Siècle. viii, 454p. Paris, Droz. frs.40.-

Clark, Charles Upson, 1875—. *ed.* Voyageurs, Robes Noires, et Coureurs de Bois; Stories from the French Exploration of North America. (Institute of French studies. Publications). xiv, 391p. New York, Institute of French Studies, Columbia University.

Clément, Lucie. En Marge de la vie. (Romans Canadiens). 192p. Montréal, Lévesque. 60c.

Congrès français de Médecine. Rapports 1-4 (XXIIIe Session, Québec, 1934). Paris, Masson.

Constantin-Weyer, Maurice, 1881—. Un Sourire Dans la Tempête. (Prosateurs Français contemporains). 243p. Paris, Rieder. frs.40.-, bd.

Corneloup, Claudius. La Coccinelle du 22e. 237p. Montréal, Beauchemin.

Côté, Lévi. De la Chaire au Micro; causeries évangéliques . . . 217p. Montréal, Les Missionnaires Oblats de M.I.

Côté, Louis-Philippe. Visions du Labrador. (L'âme Canadienne). 173p. map. Montréal, Lévesque. 75c.

Dantin, Louis, 1865—. Poètes de l'Amérique Française; études critiques (2me série). 196p. Montréal, Lévesque. $1.00.

Daveluy, Marie-Claire. Jeanne Mance; Suivie d'un Essai Généalogique sur les Mance de Mance, par Jacques Laurent. 428p. pl. port. facsim. Montréal, Lévesque. $2.00.

Daviault, Pierre. La Grande Aventure de Le Moyne d'Iberville. (Figures Canadiennes). 215p. Montréal, Lévesque. $1.

David, Louis Athanase, 1882—. En Marge de la Politique, Recueil de Discours, par Athanase David. (Documents Sociaux). 183p. Montréal, Lévesque. $1.

Desforêts, Benoit. Le Petit Gars du Colon. (L'âme Canadienne). 157p. map. Montréal, Lévesque. 75c.

Desrosiers, Adélard, 1873—. Notre Jacques Cartier; il. de Maurice LeBel et Oswald L. Bonin. (Albums Historiques). 160p. il. map. Montréal, Lévesque. 75c.

Dionne, Narcisse Eutrope, 1848-1917. Jacques Cartier; ouvrage couronné en 1889 par son Honneur le Lieutenant-Gouverneur Angers de la Province de Québec; [préfacé par l'Honorable Sénateur Thomas Chapais à l'occasion du 4me Centenaire de l'Arrivée de Jacques Cartier]; 3me éd. xv, 157p. Québec, Robitaille. $2, bd.

Dorion, Jules. Impressions d'un Passant aux Bords de l'Europe, de l'Asie, et de l'Afrique. 333p. pls. Québec, Impr. de l'Action Sociale.

Duchaussois, Pierre Jean Baptiste. Aventures Canadiennes des Soeurs Grises. (Coll. Les Bonnes Lectures). xvi, 95p. il. Paris, Flammarion. frs.3.95.

Dugas, Marcel. Un Romantique Canadien: Louis Fréchette, 1839-1908. 295p. Paris, Revue Mondiale. frs.15.-

Dugré, Alexandre. La Pointe-du-Lac. (Pages trifluviennes, série A, no 15). 91p. il. pl. Trois-Rivières, Les Editions du Bien Public. 50c.

Duguay, Jeanne L'Archevêque. Ecrin. (Pages trifluviennes, série C, no 5). 86p. il. Trois-Rivières, Les Editions du Bien Public.

Dumais, Joseph. Le Capitaine Malouin Jacques Cartier; ouvrage revu, corr. et augm. . . . préf. de J.-A. de Plaines. xiii, 97p. pls. port. Québec, La Fierté Française.

Dupret, H. Etudes sur les Mousses de la Région de Montréal. viii, 70p. il. Montréal, Institut Botanique, Univ. de Montréal. 75c.

Ecole des Hautes Etudes Commerciales de Montréal. Etudes economiques; Thèses présentées à la "Licence en Sciences Commerciales" [Mai 1934]. v.4. Montréal, Beauchemin.

Fauteux, Aegidius, 1876—. Le Duel au Canada. (Collection du Zodiaque "35"). 317p. Montréal, Déom. 75c.

Fournier, Jules, *comp.* Anthologie des Poètes Canadiens; mise à jour et préf. par Olivar Asselin; 3me. éd. 299p. Montréal, Granger. $1.

Franchère, L. C., and Boyce, M. L'Aurore de la Nouvelle France. xv, 144p. Milwaukee, Bruce Pub. Co.

Les Frères des Ecoles Chrétiennes. Physique Elémentaire. 679p. Montréal, Impr. de La Salle. $2.50, bd.

Gendreau, J. E. Cent cas de Cancer Traités et Apparemment Guéris à l'Institut du Radium de Montréal. 119p. Montréal, Déom. 35c.

Gingras, Rolland G. Les Hymnes Nationaux. 125p. Québec, L'Evènement.

Godbout, Archange. Les Pionniers de la Région Trifluvienne. 1ère série: 1634 à 1647. (Pages trifluviennes, série A, no 14). 82p. Trois-Rivières, Les Editions du Bien Public. 50c.

Goyau, Georges, 1869—. Une Epopée Mystique: les Origines Religieuses du Canada; nouv. éd. 301p. Paris, Spes. frs.12.-

Grenier, *Rév. Père.* Mère Marie Sainte-Cecile de Rome. 2v. Montréal, n.p. $2.

Grignon, Claude Henri. Le Déserteur, et Autres Récits de la Terre. 219p. Montréal, Les Editions du Vieux Chêne.

Grignon, Joseph. L'Aviateur Blageur; Monologue Comique. Montréal, Jules Ferland. 15c.

Groulx, Lionel, 1878—. La Découverte du Canada; Jacques Cartier. 290p. Montréal, Granger.

Harvey, Jean-Charles. Les Demi-Civilisés, Roman. 223p. Montréal, Les Editions du Totem.

Harvey-Jellie, Nora. Le Merle dans le Cerisier. 76p. Montréal, Beauchemin. $1.50.

L'Héritier de Mgr. Charlebois, O.M.I., Son Excellence Mgr. M. Lajeunesse, O.M.I.; Consécration épiscopale, 29 Juin, 1933; arrivée à Le Pas, 15 Juillet, 1933; tournée pastorale, 25 Juillet, 1933. 102p. pl. port. Le Pas, Manitoba, Les Missionnaires Oblats de M.I., 1934. 25c.

Hertel, François. Les Voix de mon Rêve. 176p. Montréal, Lévesque. 60c.

Hevesey, Paul de, 1883—. Le Problème Mondial du blé; Projet de Solution. Préf. de Henry Béranger. vi, 293p. map, diagrs. Paris, Alcan. frs.30.-

Les Jeune-Canada. Sur les pas de Cartier; Discours Prononcés par Les Jeune-Canada lors de leur assemblée "Hommage à Jacques Cartier", tenue le 22 Janvier 1934 au Monument National (Montréal). (Les Cahiers des Jeune-Canada, II). 61p. N.p.

Joubert, Gabriel de. Guide au Canada. 84p. il. map. Paris, Les éditions France-Amérique.

Jouve, Odoric-Marie. Les Franciscains et le Canada: Aux Trois-Rivières. x, 340p. pls. Paris, Procure des Missions Franciscaines. frs.45.-

King, Rufus. La Tragédie Canadienne. (Coll. L'Empreinte). Paris, Nouvelle Revue Critique. frs.5.-

Lachance, Louis. Où Vont nos Vies? 216p. Montréal, Editions l'Oeuvre de Presse Dominicaine.

La Durantaye, Louis-Joseph de, 1896—. Traité de la Faillite en la Province de Québec, à l'usage des Practiciens et des Commerçants; suivi des textes officiels (Français et Anglais) des lois et règlements de Faillite. 604p. Montréal, L'auteur, 1107 rue Immeuble Aldred. $12.50.

Laliberté, Alfred, 1878—. Légendes, Coutumes, Métiers de la Nouvelle France, Bronzes d'Alfred Laliberté; préf. de Charles Maillard. 6p. 122pls. Montréal, Beauchemin.

Lanctot, Gustave, 1883—. Le Canada d'Hier et d'Aujourd'hui. (Documents Historiques). 300p. map. Montréal, Lévesque. $1.

Langlois, Georges. Histoire de la population Canadienne-Française. (Documents Historiques). 309p. Montréal, Lévesque.

La Vergne, Armand. Trente ans de Vie Nationale. 228p. Montréal, Les Editions du Zodiaque. $1.

Lavergne, Juliette. La vie Gracieuse de Catherine Tekakwitha. (Figures Canadiennes). 175p. Montréal, Lévesque. 75c.

Leblant, Robert. Une Figure Légendaire de l'Histoire Acadienne, le Baron de St. Castin. 177p. Dax (Landes), P. Pradeu, 13 Cours de Verdun. frs.18.-

Le Cavelier, D.-E. . . . Trente ans Après, Communication Faite au Congrès de Québec. 79p. Québec.

Le Franc, Marie. La Rivière Solitaire, Roman. 255p. Paris, Ferenczi. frs.12.-

Le Franc, Marie. Visages de Montréal. (Collection du Zodiaque, "35"). 236p. Montréal, Déom. 75c.

Le Vasseur, J. E. B. Recueil de Sermons et d'Allocutions. 147p. Montréal, Beauchemin, 1934?

Lévesque, Albert. La Nation Canadienne Française, son Existence, ses Droits, ses Devoirs. (Documents Politiques). 161p. Montréal, Lévesque. 75c.

L'Heureux, Eugène. Libéralisme Economique et Action Catholique; lettre-préface de J.-E. Gregoire. 88p. Québec, L'Action Catholique.

Lichtenberger, André, 1870—. Montcalm et la Tragédie Canadienne. viii, 244p. port. map. Paris, Plon. frs.12.-

M., P. de. L'Oeuvre Véridique de Louis Riel, 1869-70 [et] 1885. (Figures Canadiennes). 186p. Montréal, Lévesque. 75c.

Magnan, Charles Joseph, 1865—. Sur les Routes de France. 238p. il. Montréal, Beauchemin. 75c.

Martin, Ernest. Le Français des Canadiens est-il un patois? Zigzags autour de nos Communs Parlers. 143p. Québec, L'Action Catholique. $1.25, bd.

Mélançon, Claude. Nos Animaux chez Eux; il. de L. Durand. 128p. il. Québec, Au Moulin des Lettres.

Monval, Jean. Les Sulpiciens. (Les Grands ordres Monastiques et Instituts Religieux, XV). 283p. Paris, Grasset. frs.15.-

Morice, Adrian Gabriel, 1859—. M. Darveau, Martyr du Manitoba. 65p. 40c. Croquis Anthropologiques. 287p. il. n.p. Winnipeg, 200 rue Austin.

Olier, Moïsette. Chawinigane; [avec] Bois-Gravé de Rodolphe Duguay. (Pages trifluviennes, série C, no 6). 67p. Trois-Rivières, Les Editions du Bien Public. 50c.

Owen, George R. W. La Liberté d'Opinion, une Etude Comparée des Libertés Publiques en France et au Canada. (Publications Guy Drummond). 135p. Montréal, Beauchemin.

Pâquet, Louis-Adolphe, 1859—. Nouveaux Fragments Apologetiques; 2me éd. aug. (Etudes et Appréciations, v.2). 367p. Québec, Impr. Franciscaine Missionnaire.

Paquin, Ubald. La Trappe d'Oka; Notes et Impressions sur l'Abbaye de Notre-Dame-du-Lac. 192p. Montréal, n.p.

Pariseau, Léo. En Marge du Récit de la "Grosse Maladie" du Capitaine Cartier. 70p. Montréal, Thérien.

Paulhus, J.-André. Comme un Lis: Paul Gendron (1914-1927). 140p. il. port. Saint-Hyacinthe, n.p.

Potvin, Damase. La Rivière-à-Mars. 222p. Montréal, Les Editions du Totem. 75c.

Poulin, Antonio. Le Message de Lénine, Drame Sociale en Quatre Actes; Préface de Anastase Forget. 143p. Montréal, Lévesque. 60c.

Poulin, Gonzalve. Nérée Beauchemin; avant propos de l'Abbé Albert Tessier. (Pages trifluviennes, série B, no 5). 79p. Trois-Rivières, Les Editions du Bien Public. 50c.

Pouliot, Joseph Camille, 1866—, *comp.* La Grande Aventure de Jacques Cartier; Epave bi-Centenaire: Découverte au Cap des Rosiers en 1908. iii, 328p. pl. port. facsim. Québec, n.p. $2.

Pour la Réconciliation par la Vérité, par Un Observateur Canadien-Français. 4v. Montréal, Impr. Populaire.

Le Programme de Restauration Sociale, Expliqué et Commenté. 80p. Montréal, L'Ecole Sociale et Populaire.

Québec (Province). Code civil. Code Civil de la Province de Québec, par René Deguire; pref. par A.-S. Deguire; 5me éd. xxxii, 781p. Supplément au Code de Procédure Civile Annote de la Province de Québec, par Henri Gerin-Lajoie et Marc Stein. xiv, 1475p. Montréal, Wilson et Lafleur.

Québec (Province). *Archives.* Inventaire des Jugements et Délibérations du Conseil Supérieur de la Nouvelle-France de 1717-60, par Pierre-Georges Roy. v.4. Beauceville, L'Eclaireur. $2.

Routier, Simone. Les Tentations; préface de Fernand Gregh; portrait et bandeaux, bois gravés d'André Margat; couverture et hors-textes dessins à la plume de Bernard Laborie. 195p. il. port. Paris, Editions de la Caravelle.

Roy, Camille, 1870—, *comp.* Morceaux Choisis d'Auteurs Canadiens. 443p. $1.50. Poètes de Chez Nous: Etudes Extraites des Essais et Nouveaux Essais sur la Littérature Canadienne. 193p. Montréal, Beauchemin.

Roy, Camille, 1870—. Nos Raisons Canadiennes de Rester Français. 16p. Québec, L'Action Catholique.

Roy, Charles-Eugène, et **Brault, Lucien.** Gaspé Depuis Cartier. 233p. il. pl. port. map, plan. Québec, Moulin des Lettres. $2.

Roy, Pierre-Georges, 1870—. Dates Lévisiennes. 9v. Lévis, Impr. Le Quotidien, 1932-1934.

Roz, Firmin, 1866—. Vue Générale de l'Histoire du Canada, 1534-1934; préface de Sébastien Charléty. xii, 337p. front. il. map. Paris, Hartmann. frs.25.-

Rumilly, Robert. Chefs de File. 266p. Montréal, Les Editions du Zodiaque. 75c.

Rumilly, Robert. Kateri Tekakwitha, le Lys de la Mohawk, la Fleur du Saint-Laurent; il. de Paul Coze. 52p. pl. Paris, Bouasse-Jeune.

Rumilly, Robert. Papineau. (Chefs de File). 309p. Paris, Flammarion. frs.12.-

Les Sources de l'Histoire de France Depuis les Origines Jusqu'en 1815. Troisième partie: le XVIIe siècle (1610-1715). v.6-7. (Manuels de Bibliographie Historique, III). Paris, Picard, 1932-1934. frs.45.- ea. v.

Sulte, Benjamin, 1841-1923. Mélanges Historiques, Etudes Eparses et Inédites; pub. par Gérard Malchelosse. v.18-21. (Trois-Rivières d'Autrefois, sér. 1-4). Montréal, Ducharme, 1931-1934.

Surveyer, Edouard Fabre, 1875—, et **Audet, Francis-J.** Les Députés de Saint-Maurice et de Buckinghamshire (1792 à 1808). (Pages trifluviennes, série A, no 9a). 95p. Trois-Rivières, n.p. 50c.

Sylvain (*pseud.*) En Flânant Dans les Portages. (Pages trifluviennes, série C, no 4). 71p. Trois-Rivières, n.p. 50c.

Tassé, Henriette. La vie Humoristique d'Hector Berthelot; préface de Victor Morin. 243p. il. port. diagr. Montréal, Lévesque. $1.

Tessier, Albert, *ed.* Jacques Buteux, le Premier Evangelisateur de la Région du St.-Maurice (1634-1652). (Pages trifluviennes, série B, no 6). 93p. il. map. Trois-Rivières, Les Editions du Bien Public. 50c.

Tessier, Albert, *ed.* Les Trois-Rivières; Quatre Siècles d'Histoire, 1535-1935. (Pages trifluviennes, série A, no 17). 162p. il. Trois-Rivières, Le Nouvelliste. $1.

Tremblay, Victor. Causeries Historiques; le Temps de Jacques Cartier. (Société Historique du Saguenay. Publications, no 1). 130p. port. map. Chicoutimi, Impr. du Progrès du Saguenay.

Valois, Leonise (*i.e.* **Marie Léonie Valois).** Feuilles Tombées, par Atala (*pseud.*). 86p. Fleurs Sauvages, par Atala (*pseud.*). 94p. Montréal, Beauchemin.

Veron, Jean. Madame Després, Roman. 192p. Trois-Rivières, Les Editions du Bien Public. 75c.

Vézina, Medjé, 1896—. Chaque Heure a son Visage, Poèmes. 159p. Montréal, Les Editions du Totem. $1.

Weizl, Jan. La vie des Esquimaux; trad. du Tchèque par J. Gagnaire. (Coll. Géographie Humaine). 186p. pl. map. Paris, Nouvelle Revue Française. frs.30.-

Wendling, André V. Cours de Physique. v.1. Montréal, Pubns. de l'Ecole Polytechnique.

1935

Agriculture

Canada. Dept. of Agriculture. Live Stock Br. Fifteenth Annual Market Review, 1934. 168p. maps. Ottawa, the Dept.

Canada. Dominion Bureau of Statistics. Agric. Br. Live Stock and Animal Products Statistics, 1934. 97p. diagrs. 25c.

Report on the Grain Trade of Canada for the Crop Year Ended July 31 and to the close of Navigation 1934. 222p. maps, diagrs. 50c. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Dairy Br. Statistics of Dairy Factories, 1933. 101p. il. diagrs. Ottawa, King's Printer. 25c.

Canadian Grain Trade Year Book 1934-35. v.XV. 110p. diagrs. Winnipeg, Sanford Evans Statistical Service. $1.50.

Heath, L. M. Tuberculin, Studies Relative to Potency Determinations. 65p. il. diagrs. Ottawa, Dept. of Agriculture.

Macrae, N. A. and Haslam, R. J. Varietal Studies of Flue-Cured, Burley and Dark Tobaccos. 61p. il. Ottawa, Dept. of Agriculture.

Richards, Albert Edward, 1896—. Farmers' Business Organizations in Canada, 1935. 55p. il. Ottawa, Dept. of Agriculture.

Art, Music and Architecture

Barbeau, Charles Marius, 1883—. Folk-Songs of Old Quebec; song translations by Regina Lenore Shoolman—il. by Arthur Lismer. (Canada. Dept. of Mines. National Museum of Canada. Bul. 75, Anthropological ser. no. 16). 72p. front. il. ports. music. Ottawa, the Museum. 25c.

Bull, William Perkins, 1870—. Perkins Bull Collection; historical paintings by Canadian artists, illustrating pioneers and pioneering in the county of Peel. 2d ed. rev. 94p. front. pl. port. facsim. Brampton, Ont. Privately printed for the Founder of the Collection.

Church of All Nations. All Nations Song Book. 110 l. music. Toronto, the Church.

Davies, Blodwen. A Study of Tom Thomson; the story of a man who looked for beauty and for truth in the wilderness. xvi, 133p. front. il. (partly col.). Toronto, Discus Press. $3.50.

Katzenelenbogen, Uriah, *ed.* The Daina; an Anthology of Lithuanian and Latvian Folk-Songs; with a critical study and preface by Uriah Katzenelenbogen; with an introd. by Clarence A. Manning. xii, 165p. map. Chicago, Lithuanian News Pub. Co. $2.

MacLean Building Reports, Limited. Plan Book of Canadian Homes, One Hundred House Designs by Canadian architects. 128p. Toronto, MacLean Bldg. Reports. $1.

Nutt, Elizabeth Styring. The World of Appearance. 111p. pl. Sheffield, Parker. $2.75.

Scott, Charles Sumner, 1858—. Christ Church Cathedral, Hamilton, 1835-1935. 88p. il. Hamilton, Davis-Lisson. $1.

Bibliography and Librarianship

Canada. Dept. of Public Printing and Stationery. Division of Documents. Catalogue of Official Publications of the Parliament and Government of Canada. 103p. Ottawa, King's Printer.

Canada. Parliament. Library. Annual Supplement to the Catalogue of the Library of Parliament; classified list of all books and pamphlets added to the Library from January 1st to December 31st, 1934. ix, 221p. Ottawa, King's Printer.

Fraser, Ian Forbes. Bibliography of French-Canadian Poetry. (Publications of the Institute of French Studies). vi, 105p. N.Y. Columbia Univ. $1.25.

Higgins, Marion Villiers, 1884—. Canadian Government Publications; a manual for librarians; with an introd. by Gerhard R. Lomer. ix, 582p. diagrs. Chicago, American Library Assoc. $2.25, paper.

McKim, A. Limited. McKim's Directory of Canadian Publications, 28th Edition, 1935; a complete list of the newspapers and periodicals pub. in Canada and Newfoundland with full particulars. 471p. Montreal, McKim. $3.

New Brunswick. University. Library. A catalogue of the Rufus Hathaway Collection of Canadian Literature, University of New Brunswick. vi, 53p. port. Fredericton, the Univ.

New York. Public Library. Canada: an Exhibition Commemorating the Four-Hundredth Anniversary of the Discovery of the Saint Lawrence by Jacques Cartier 1534-1535; a Catalogue with notes. (Reprinted from Bul. of the N.Y. Public Library, July-Aug. 1935). 59p. N.Y. the Library. 25c.

Queen's University, Kingston. Library. Theological Works in the Douglas Library, Queen's University. iv, 139p. Kingston, Ont. 50c.

Toronto. Public Library. A Bibliography of Canadiana; being items in the Public Library of Toronto, Canada, relating to the early history and development of Canada, ed. by Frances M. Staton and Marie Tremaine, with an introduction by George H. Locke. 7 p.l., 828p. illus. (28 facsims.). Toronto, Public Library, 1934. [c.1935].

Biography

Bankson, Russell Arden, 1889—. The Klondike Nugget. 349p. front. pl. Caldwell, Idaho, Caxton Printers. $2.50.

Baxter, Arthur Beverley, 1891—. Strange Street. ix, 296p. front. pl. ports, facsims. Toronto, Ryerson. $3.50.

Bready, John Wesley, 1887—. Dr. Barnardo; Physician, Pioneer, Prophet; *new ed.* 276p. Toronto, Allen. 75c.

Buchan, John, 1st Baron Tweedsmuir, 1875—. The King's Grace, 1910-1935; special Can. ed. 285p. front. pl. ports. London, Hodder. 15/.

Buchan, Susan Charlotte (Grosvenor) Baroness Tweedsmuir, 1882—. Funeral March of a Marionette. 96p. il. Toronto, Longmans. $1.50.

The Canadian Parliamentary Guide, 1935. Ed. by Major A. L. Normandin. 702p. front. Hull, Que. Labour Exchange. $4.

Collins, *Mrs.* **Alice H. Roger.** Real People, Pen Pictures; sketches V, VI, VII and VIII, Elizabeth Veals, Peter McArthur, Ellen Mary Knox, J. L. Yule. 50p. ports. Walkerton, Ont., the Author.

Colquhoun, Arthur Hugh Urquhart, 1861-1936. Press, Politics and People; the Life and Letters of Sir John Willison. 306p. il. Toronto, Macmillan. $5.

Cruikshank, Ernest Alexander, 1854—. Life of Sir Henry Morgan, with an Account of the English Settlement of the Island of Jamaica, (1655-1688). 448p. il. Toronto, Macmillan. $5.

Doran, George Henry, 1869—. Chronicles of Barabbas, 1884-1934. xvi, 416p. Toronto, McLeod. $4.

Ellerby, John Williams, 1862—. The Ellerby Family Tree. 50p. Weston, Charters Pub. Co. 50c.

Fyfe, Henry Hamilton, 1869—. My Seven Selves. 320p. il. London, Allen & Unwin. 12/6.

Hague, Dyson, 1857-1935. The Life and Work of John Wycliffe; 2d. enl. ed. xviii, 200p. port. London, Church Book Room. 3/6.

Howell, William Boyman, 1873—. F. J. Shepherd—Surgeon; His Life and Times. ix, 251p. front. pl. ports. London, Dent. 12/6.

Hunt, Frazier, 1885—. The Bachelor Prince; an informal biography of H.R.H. the Prince of Wales by his neighbour in Canada. 245p. Toronto, Musson. $2.50.

Johnson, Robert Cummings, 1864—. John McLoughlin, Patriarch of the Northwest; jacket and chapter heading illustrations by Constance Cole. 302p. front. il. pl. ports. maps. Portland, Ore., Metropolitan Press. $2.50

Johnston, *Mrs.* **Mono (Troop) (***Mrs.* **Harold S. Johnston)** *comp.* Prophet, Presbyter and Servant of Mankind; a Memoir of the Rev. Canon G. Osborne Troop, and a selection of his writing, ed. and introduced by the Rev. Canon Dyson Hague. 222p. port. Halifax, N.S., the Author. $1.

Kirkconnell, Watson, 1895—. A Canadian Headmaster; a brief biography of Thomas Allison Kirkconnell, 1862-1934; with a foreword by W. J. Alexander. xi, 156p. port. Toronto, Clarke, Irwin. $1.25.

McClung, *Mrs.* **Nellie Letitia (Mooney), 1873—.** Clearing in the West; my own story. 378p. Toronto, Allen. $2.50.

MacLean, Andrew Dyas, 1896—. R. B. Bennett, Prime Minister of Canada; 4th ed. 112p. front. il. pl. ports. Toronto, Excelsior Pub. Co. $1.

Marsh, D'Arcy. The Tragedy of Henry Thornton. xv, 293p. port. facsims. Toronto, Macmillan. $2.50.

Montgomery, Richard Gill. The White-Headed Eagle, John McLoughlin, Builder of an Empire. xiii, 358p. front. pl. port. N.Y. Macmillan. $4.

National Encyclopedia of Canadian Biography; Jesse Edgar Middleton, W. Scott Downs, directing editors. 383p. front. ports. Toronto, Dominion Pub. Co. $35 half lea. $55 full lea.

Ornano, Antoine Philippe Rodolphe, *comte d'*, **1893—.** Life and loves of Marie Walewska; with 13 illus. including 11 hitherto unpublished. 428p. front. pl. ports. Montreal, Louis Carrier for the Author.

Pacaud, Lucien, 1880—, *ed.* Sir Wilfrid Laurier; Letters to my Father and Mother. ix, 148p. front. pl. ports. Toronto, Ryerson. $2.

Rogers, Norman McLeod, 1894—. Mackenzie King; a rev. and ex. ed. of a biographical sketch by John Lewis (published in 1925). xii, 212p. front. pl. ports. Toronto, Nelson. $1.

Roy, James Alexander, 1884—. Joseph Howe; a study in achievement and frustration. xiv, 347p. il. Toronto, Macmillan. $3.50.

Stevens, John Frank, 1853—. An Engineer's Recollections. ix, 70p. il. maps. N.Y. Engineering News Record. $1.

Stothers, Robert. A Biographical Memorial to Robert Henry Cowley, 1859-1927. xxi, 151p. front. pl. ports. Toronto, Nelson. $2.

Talbot, Francis Xavier, 1889—. Saint Among Savages; the life of Isaac Jogues. ix, 466p. port. map, facsim. N.Y. Harper. $4.

Thornhill, Mary Elizabeth. Between Friends; with an introd. by Lady Windle. 252p. front. Toronto, Saunders. $2.50.

Vining, Charles Arthur Maclaren (R. T. L. *pseud.*), **1897—.** Bigwigs; Canadians Wise and Otherwise; with 37 il. by Ivan Glassco. 149p. ports. Toronto, Macmillan. $3.50.

Yeager, Frances, and Colter, Eli. Jungle Woman; the amazing experiences of Mrs. Frances Yeager, first white woman to live in the Sumatra jungle. vii, 312p. pl. Toronto, Ryerson. $3.50.

Business, Finance and Trade

Annual Financial Review, The. Canadian, July, 1935; a carefully revised *précis* of facts regarding Canadian securities, comp. by W. R. Houston; v.35. 1184p. Toronto, Houston's standard publications. $15 to subscribers only.

Beattie, L. S. and Bennett, William Gordon. Essentials of Business Practice. 196p. il. Toronto, Pitman. 60c.

Canada. Dept. of Insurance. Report of the Superintendent of Insurance of the Dominion of Canada for year ended Dec. 31, 1934. Loan and Trust Companies. xxxii, 162p. v.1, Insurance Companies other than life. cccviii, 1231p. $1.75. v.2, Life Insurance Companies. ccccxvi, 995p. $1.25. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. External Trade Br. Trade of Canada, fiscal year ended March 31, 1934. 844p. $3. Trade of Canada, imports for consumption and exports, calendar year 1934. 488p. 50c. Ottawa, King's Printer.

Canadian Trade Index, annual issue of 1935. 842p. Toronto, Canadian Manufacturers' Assoc.

Financial Post Survey of Corporate Securities, 1935. 316p. Toronto, MacLean Pub. Co.

Handbook of the Canadian Customs Tariff and Excise Duties; comp. by Michael P. McGoldrick. Montreal, McMullin. $4.

Long, Arthur I. *comp.* Long's Conversion tables, Sterling to Dollars, $4.75 to $5.25 = £1. 123p. Toronto, Long, Chapman & Co., 301 Metropolitan Bldg.

McKague, William Allison, 1895—. Business Organization and Administration. vi, 325p. il. Toronto, Pitman. $2.50.

Serjeant, T. W. Business Manual for Newfoundland. 176p. il. Toronto, Pitman. $1.25.

Smith, Clayton S. Laws of Business Made Easy. 123p. il. Toronto, Pitman. 40c.

Steinberg, A. G. Banking and Exchange. 296p. il. Toronto, Pitman. 75c.

Children's Books

Beattie, Maryan. Jimney Cricket and Other Stories. 86p. il. Toronto, Longmans. 50c.

Cory, Harper. Grey Owl and the Beaver; with two chapters by Grey Owl. 140p. il. Toronto, Nelson. 75c.

Cory, Harper, 1893—. Wild Life Ways Series; illus. by W. N. Parker. 4 pts. il. Toronto, Clarke Irwin. 25c each.

Grahame, Gordon Hill, 1893—. The Voodoo Stone; il. by Reginald Mills and T. H. Somerfield. 254p. il. Toronto, Ryerson. $1.25.

Grey Owl, "Washaquonasin", 1888-1938. Adventures of Sajo and her Beaver People. xix, 256p. Toronto, Macmillan. $2.

Heming, Arthur Henry Howard, 1870—. The Living Forest; two boys in the Canadian woods; il. by the author. (Young Modern bks.); new ed. x, 268p. il. N.Y. Doubleday. 75c.

Leonard, Grace E. P. The Canadian Family Robinson; a modern tale of the shipwreck and subsequent adventures of a family; with illus. by R. H. Brock. 254p. Toronto, Upper Canada Tract Soc. $1.25.

MacGregor, *Mrs.* Mary Esther (Miller) (Marian Keith, *pseud.*), 1876—. Glad Days in Galilee; a story of the boyhood of Jesus. 141p. Toronto, McClelland & Stewart. $1.25.

Marsh, E. L. With the Birds. 86p. il. Toronto, Dent. 75c.

Reid, Lionel. Bobo Dee; illus. by R. Denison. 50p. Toronto, Oxford Univ. Press. $1.25.

Russell, *Mrs.* Margaret Clarke, 1875—. The Silly Moon, and Other Verses, il. by Mildred Kindy Russell. 48p. il. London, Stockwell. 2/.

Saunders, Marshall, 1861—. My Pets; real happenings in my aviary. 251p. front. il. Toronto, Ryerson. $1.25.

Uren, Alfred Ernest, 1881—. Bob and Bill go Farming. 80p. il. Toronto, Bob and Bill Pubs., 179 John St. 50c.

Wallace, Archer, 1884—. Adventures in the Air; illus. by Norman Deer. ix, 117p. il. ports. Toronto, Ryerson. $1.

Weekes, *Mrs.* Mary. Round the Council Fires. 113p. il. Toronto, Ryerson. $1.25.

Education

Blatz, William Emet, 1895—, Millichamp, Dorothy, 1908—, and Fletcher, Margaret, 1897—. Nursery Education, Theory and Practice. xv, 365p. diagr. plan. N.Y. Morrow. $3.50.

Burgoyne, Lola Martin, *comp.* A History of the Home and School Movement in Ontario. a-g, 205p. il. ports. Toronto, Charters Pub. Co.

Canada. Dominion Bureau of Statistics. Annual Survey of Education in Canada, 1933. liii, 120p. Ottawa, King's Printer.

De Wolfe, L. A. Make the Most of Yourself. 112p. il. Toronto, Ryerson. 80c.

King, H. B. School Finance in British Columbia. x, 230p. Victoria, King's Printer.

Kristjanson, Wilhelm, 1896—. Glimpses of Oxford. 68p. Winnipeg, Columbia Press. 50c.

Long, John Alexander, 1891—, Sandiford, Peter, 1882—, and others. The Validation of Test Items. 126p. diagr. Toronto, Univ. of Toronto Press. $1.

Ontario. Dept. of Education. Schools and Teachers in the Province of Ontario, Elementary Public and Separate Schools, November, 1935. 611p. 50c. Staffs of Collegiate Institutes, High, Continuation, Vocational, Normal, and Normal-Model Schools; November, 1935. 166p. 25c. Toronto, King's Printer.

Percival, Walter Pilling. Why educate? ix, 179p. Toronto, Dent. $1.50.

Poppleton, Marjorie, and Blatz, William Emet, 1895—. We Go to Nursery School; photographs by John M. Waterman. 63p. il. Toronto, McClelland & Stewart. $1.10.

Smith, C. Ebblewhite. The Construction and Validation of a Group Test of Intelligence using the Spearman technique. 56p. diagrs. Toronto, Univ. of Toronto Press. 50c.

West, Michael Philip. Definition Vocabulary. 105p. Toronto, Univ. of Toronto Press. $1.

Fiction

Amy, William Lacey (Luke Allan, *pseud.*). Behind the Wire Fence. 287p. Black Opal. 288p. Toronto, Saunders, $2 each. Arrowsmith. 7/6 each.

Amy, William Lacey (Luke Allan, *pseud.*). Murder at the Club. 288p. 3/6. Five for One. 288p. 3/6. London, Arrowsmith.

Barnard, Leslie Gordon. Jancis. 245p. Toronto, Macmillan. $2.50.

Beattie, Jessie Louise, 1896—. Hill-top. 276p. Toronto, Macmillan. $2.

Bjarnason, Bogi. Sans the Grande Passion; a collection of short stories in which, contrary to all rules and conventions of short-story writing, love and sex have no part. 122p. Treherne, Man. Times.

Brodie, Alfred E. The Front Man. 154p. Toronto, Maclean.

Buchan, John, 1st Baron Tweedsmuir, 1875—. House of the Four Winds. 309p. Toronto, Musson. $2.

Callaghan, Morley, 1903—. They Shall Inherit the Earth. 337p. Toronto, Macmillan. $2.50.

Cleaver, Solomon, 1855—. Jean val Jean. vii, 119p. front. il. Toronto, Clarke, Irwin. $1.25.

Cobb, Humphrey, 1899—. Paths of Glory. 265p. N.Y. Viking Press. $2.50.

Cody, Hiram Alfred, 1872—. The Crimson Sign. 306p. Toronto, McClelland & Stewart. $2.

Cormack, Maribelle. Runner of the Trail; a mystery of the Hudson's Bay Co. il. by Robert Kimball Stephens. xi, 242p. Toronto, Ryerson. $2.25.

Cunningham, Louis Arthur. Tides of the Tantramar. 313p. Philadelphia, Penn Pub. Co. $2. Toronto, Copp Clark. $2.

Dawson, Coningsby William, 1883—. Inspiration Valley. 286p. Toronto, Ryerson. $2.25.

De La Roche, Mazo, 1885—. Young Renny (Jalna—1906). viii, 277p. Toronto, Macmillan. $2.

Dix, Maurice Buxton. The Dartmoor Mystery. 320p. $2. The Golden Fluid. 319p. $2. London, Ward Lock.

Douglas, Lloyd Cassel, 1877—. Green Light. 326p. Toronto, Allen. $2.50.

Evans, Allen Roy. Reindeer Trek. 269p. Toronto, McClelland & Stewart. $2.25.

Farmer, Bernard J. Go West, Young Man. 309p. Toronto, Nelson. $2.

Fripp, Edward. Midsummer Madness. 282p. London, Eldon Press. 7/6.

Furse, Barbara Ross. Crocodile Tears. 287p. London, Long. 7/6.

Gordon, Charles William (Ralph Connor, *pseud.*) 1860-1937. The Rebel Loyalist. 328p. Toronto, McClelland & Stewart. $2.

Grahame, Gordon Hill, 1893—. Antoine, the Fearless. 288p. il. Toronto, Ryerson. $2.

Gregory, Claudius. Solomon Levi. 400p. Toronto, McLeod. $2.

Hanson, Nell. Winds of Pity. 332p. Toronto, Musson. $2.

Hardy, William George, 1896—. Father Abraham. 416p. Toronto, Macmillan. $2.50.

Hendryx, James Beardsley, 1880—. Outlaws of Halfaday Creek. viii, 299p. N.Y. Doubleday, Doran. $2.

Hendryx, James Beardsley, 1880—. Yukon Kid. 300p. N.Y. Burt. 75c.

Hodgson, John C. J., 1892—. Lion and Lily; a story of New France; il. by Pauline Larivière. 281p. front. il. Montreal, Renouf. $2.50.

Kennedy, John de Navarre, 1888—. In the Shadow of the Cheka. vi, 320p. Toronto, Nelson. $2.

Knowles, Robert E. The Undertow; a tale of both sides of the sea; new ed. 403p. Toronto, McClelland & Stewart. $2.

Knox, Gilbert (*pseud.*). The Kinder Bees. 316p. Toronto, Macmillan. $2.

Larsen, Thorleif, 1887—, and MacDonald, Wilbert Lorne, 1879—, *eds.* A Century of Short Stories, 1824-1927. xxii, 327p. Toronto, Macmillan. $1.50.

McCulloch, John Herries. The Men of Kildonan; a romance of the Selkirk settlers. 278p. Edinburgh, Moray. 7/6.

McKenzie, Vernon, 1887—, *ed.* These Stories Went to Market; successful first stories pub. in Collier's, Saturday Evening Post, Harper's Bazaar. xxx, 263p. Toronto, McLeod. $2.25.

Macpherson, Donald (*pseud.*) Go Home, Unicorn. 271p. Toronto, Ryerson. $2.

Miller, Max, 1901—. The Great Trek; the story of the five-year drive of a reindeer herd through the icy wastes of Alaska and northwestern Canada. 224p. il. map. N.Y. Doubleday. $2.50.

Montgomery, *Mrs.* **Lucy Maud (MacDonald) 1874—.** Mistress Pat; a novel of Silver Bush; with a frontispiece in colour by Marie Lawson. 338p. front. Toronto, McClelland & Stewart. $2.

Morley, Frank Vigor, 1899—. War Paint; a story of adventure. 348p. London, Faber. 7/6.

Morton, Guy Eugene. Ashes of Murder. 288p. London, Skeffington. 7/6.

Mowery, William Byron. The Phantom Canoe. 291p. Boston, Little. $2.

Mowery, William Byron. Resurrection River. 306p. Toronto, McClelland & Stewart. $2.25.

Niven, Frederick John, 1878—. The Flying Years. 284p. Toronto, Collins. $2.

O'Brien, Agnes. Winnowing. iv, 483p. Toronto, Extension Print.

Packard, Frank Lucius, 1877—. Jimmy Dale and the Missing Hour. 310p. N.Y. Doubleday. $2.25.

Pickford, Mary, 1893—. The Demi-Widow. 272p. N.Y. Bobbs. $2.

Pollock, Francis, 1876—. Bitter Honey. 315p. Toronto, Nelson. $2.

Reed, *Mrs.* **Else (Porter), 1887—.** A Man Forbid. 281p. Toronto, McClelland & Stewart. $2.50.

Silver, Barbara. Our Young Barbarians; or, Letters from Oxford. 314p. Toronto, Macmillan. $2.

Stories in Many Moods; a collection of notable short stories by Canadian writers first pub. in the Canadian Magazine. 126p. Toronto, Hugh MacLean Pubs. $1.50.

Strange, William, 1902—. Sunset in Ebony. 305p. Toronto, Macmillan. $2.

Sullivan, Edward Alan, (Sinclair Murray, *pseud.*) 1868—. The Great Divide; a romance of the Canadian Pacific Railway. 417p. Toronto, Macmillan. $2.50.

Trill, Matthew. The Stranger Within. 319p. Toronto, McClelland & Stewart. $2.

Wallace, Frederick William, 1886—. Blue Water; *new ed.* Toronto, Musson. $2.

White, Samuel Alexander, 1884—. Man Scent; with illus. by the author. 286p. il. Toronto, Copp Clark. $2.

Grammar and Textbooks

Brown, Harry William, 1868—. Creative English. ix, 373p. pl. Toronto, Copp Clark. 75c.

Fisher, Jessie E. R. My Work Book in Phonics. 64p. il. Toronto, Dent. 35c.

Hutcheson, Smith. The Elements of the Universal Sign Language and U.S.L. Phonetic Alphabet and St. John's Gospel in Interlinear of English and Universal Sign Language. xi, 122p. Univ. of Toronto Press. $1.50 unbd. $2 bd.

Mueller, Paul William, 1866—. A Grammar of the German Language, pt. 2. 382p. Toronto, Dent. $2.75.

Neville, Kenneth Percival Rutherford and others. Latin prose selections, by K. P. R. Neville, E. A. Dale, D. Breslove and H. L. Tracy. 330p. Toronto, Macmillan. $1.50.

History

Bolton, Charles Knowles, 1867—. Terra Nova: the northwest coast of America before 1602; annals of Vinland, Markland, Estotiland, Droges, Baccalaos and Norumbega; il. by Ethel Stanwood Bolton. xiii, 194p. front. il. pl. maps. Boston, F. W. Faxon. $3.50.

Bull, William Perkins, 1870—. From Brock to Currie; the military development and exploits of Canadians in general and of the men of Peel in particular, 1791 to 1930. xxiv, 772p. front. il. pl. ports. maps, plans, facsims, music. $10. Spadunk; or, From Paganism to Davenport United. 467p. front. il. ports. maps, facsims. $10. Toronto, Perkins Bull Foundation.

Burpee, Lawrence Johnstone, 1873—. The Search for the Western Sea; the story of the exploration of Northwestern America; new and rev. ed. 2v. lxi, 304; ix, 305-609p. Toronto, Macmillan. $10.

Byerly, Alpheus Edward, 1894—. The Beginning of Things in Wellington and Waterloo Counties, with Particular Reference to Guelph, Galt and Kitchener; illus. by Leslie Marsh. 106p. il. ports. plan, facsims. Guelph, Ont., Guelph Pub. Co. 8/.

Canadian Catholic Historical Association. Report, 1934-1935. 66; 73p. Ottawa, the Association.

Canadian Historical Association. Report of the Annual Meeting held at McGill University, Montreal, May 20-22, 1934, with Historical Papers. 135p. Report of the Annual Meeting held at Queen's University, Kingston, May 27-28, 1935, with Historical Papers. 122p. Univ. of Toronto Press.

Carrington, C. E. and Jackson, J. History of England. Toronto, Macmillan. $1.25.

Collier, William Ross, and Westrate, Edwin Victor. The Reign of Soapy Smith, Monarch of Misrule in the Last Days of the Old West and the Klondike Gold Rush. vi, 299p. il. Garden City, Doubleday. $2.50.

Dafoe, John Wesley, 1866—. Canada, an American Nation. (Columbia Univ. Lectures. Julius Beer Foundation). 134p. Toronto, Longmans. $2.25.

Doughty, Sir Arthur George, 1860-1936, and Story, Norah, *eds.* Documents Relating to the Constitutional history of Canada, 1819-1928; selected and ed. with notes. (Canada Public archives. *Report*, 1934, appendix I). xi, 538p. Ottawa, King's Printer.

Holland, Samuel, 1728?-1801. Holland's Description of Cape Breton Island and Other Documents, comp. with an introd. by D. C. Harvey. (Nova Scotia. Public Archives. Pub. 2). 168p. Halifax, the Archives. $1.50.

Hudson's Bay Company. Hudson's Bay Company; a brief history and list of books relating to the Company. 77p. il. London, the Company. 2/6.

Meek, Theophile James, 1881—. Old Akkadian, Sumerian, and Cappadocian Texts from Nuzi. (Harvard Semitic ser. vol.x). 60p. pl. Cambridge, Mass. Harvard Univ. Press. $6.

Morice, Adrien Gabriel, 1859—. A Critical History of the Red River Insurrection, after documents and Non-Catholic Sources. 375p. pl. Winnipeg, Canadian Publishers, 619 McDermot Ave. $2.75 bd. $2 paper.

Morse, William Inglis, 1874—, *ed.* Acadiensia Nova (1598-1779) in two vol.; new and unpub. documents and other data relating to Acadia (Nova Scotia, New Brunswick, Maine, etc.); the actors: Sir William Alexander, Jacques de Meulles, Gargas, Vincent de Saccardy, Marquis de la Roche, Delabat and J. F. W. des Barres. 2v. xxxi, 222p; xi, 170p. il. pl. ports. maps, facsims. London, Quaritch. 50/.

Nova Scotia. Bureau of Information. Historic Nova Scotia. 116p. il. ports. Halifax, the Bureau.

Payzant, Harry Young. "People"; A Story of the People of Nova Scotia. 369p. Bridgewater, N.S., the Author, box 594. $2.50.

Rose, William John. The Drama of Upper Silesia; a regional study. 349p. Brattleboro, Vermont, Stephen Daye Press.

Russell, Peter, 1733-1808. The correspondence of the Honourable Peter Russell with allied documents relating to his Administration of the Government of Upper Canada during the official term of Lieut-Governor J. G. Simcoe while on leave of absence, collected and ed. for the Ontario Historical Society by Brig.-Gen. E. A. Cruikshank and A. F. Hunter. v.2, 1797-1798. xxvi, 351p. Toronto, the Society.

Waterloo Historical Society. Twenty-first and Twenty-Second Annual Reports, 1933 and 1934. 154p. Kitchener, Ont., the Society.

Wittke, Carl Frederick, 1892—. A History of Canada; rev. ed. 443p. maps. Toronto, McClelland & Stewart. $3.50.

Wrong, George McKinnon, 1860—. Canada and the American Revolution; the disruption of the first British Empire. xiii, 497p. Toronto, Macmillan. $5.

Indians

Boas, Franz, 1858—. Kwakiutl Culture as Reflected in Mythology. xii, 190p. N.Y. the Society.

Halliday, W. M., 1866—. Potlatch and Totem, and the Recollections of an Indian Agent. xvi, 240p. front. pl. Toronto, Dent. $3.75.

Jenness, Diamond, 1886—. The Ojibwa Indians of Parry Island, Their Social and Religious life. (Canada. National Museum). vi, 115p. Ottawa, King's Printer. 25c.

Thomas, Edward Harper, 1868—. Chinook; a history and dictionary of the Northwest coast trade jargon. 179p. Portland, Ore., Metropolitan Press.

Industries (not including Agriculture and Mining)

Canada. Dept. of the Interior. Forestry Service. Forests of Canada, Their Extent, Character, Ownership, Management, Products, and Probable Future. 62p. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Census of Manufactures. The Manufacturing industries of Canada, 1932; Summary Report. 122p. Ottawa, King's Printer. 25c.

Canada. Dominion Bureau of Statistics. Fisheries Statistics Br. Fisheries Statistics of Canada, 1934. 285p. pl. map. Ottawa, King's Printer. 35c.

Canada. Dominion Bureau of Statistics. Forestry Br. Census of Industry; Paper-Using Industries in Canada, 1933. 98p. 25c. The Lumber Industry, 1933. 95p. diagrs. 25c. The Pulp and Paper Industry, 1932-1933. 117p. diagrs. 25c. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Fur Statistics Br. Report on the Fur farms of Canada, 1933. 162p. il. diagrs. Ottawa, King's Printer. 25c.

Canada. Dominion Bureau of Statistics. General Manufactures Division. The Textile Industries of Canada, 1931 and 1932. 338p. diagr. Ottawa, King's Printer. 50c.

Canada. Dominion Bureau of Statistics. Mining, Metallurgical and Chemical Br. Chemicals and Allied Products in Canada, 1933. 141p. Ottawa, King's Printer.

McElhanney, Thomas Andrew, 1886—. Canadian Woods, their Properties and Uses, by T. A. McElhanney and associates in the Forest Products Laboratories of Canada. xv, 345p. il. diagrs. Ottawa, King's Printer. $1. Cloth $1.50.

Manual of the Textile Industry of Canada, 1935; and Directory. 182p. il. ports. diagrs. map. Montreal, Canadian Textile Pub. Co.

Price Bros. and Co. The Feeding of Men in Camps. 214p. Gardenvale, Que., National Business Pubs. $2.

Law

Bell, Charles W. Who Said Murder? xiii, 403p. front. pl. ports. Toronto, Macmillan. $3.

Canada. Dominion Bureau of Statistics. Judicial Statistics Br. Fifty-Eighth Annual Report of Statistics of Criminal and Other Offences for the Year Ended September 30, 1933. xvii, 174p. 50c. Ottawa, King's Printer.

The Canadian Abridgment; a Digest of Decisions of the Provincial and Dominion Courts, including appeals therefrom to the Privy Council, but excluding decisions based on the Quebec Civil Code. v.1-3. Toronto, Burroughs.

Canadian Insurance Case Law, being a digest of all the reported Canadian insurance cases from the earliest times to 1935. Quebec Section, ed. by Lovell C. Carroll. lxiv, 214p. Western Section, ed. by J. Ragnar Johnson. lxv-cviii, 215-332p. Montreal, Kingsland Co.

The Canadian Law List (Hardy's), 1935; Henry Cartwright, ed. Toronto, Can. Law List Pub. Co. $5.

Carroll, Lovell Caverhill, 1908—. Marriage in Quebec; the conditions of validity. 152p. Montreal, Harry S. Oaks & Co. $1.75; bd. $2.50.

Cartwright, Henry Lennox, 1905—, *ed.* The Ontario Statute Citator 1935. 349p. Toronto, Canadian Law List Pub. Co. $7.

Cartwright, V. R., *ed.* The Canada Statute Citator 1935; a supplement to Tremeear's Canada Statute Citations, and an annotating service. 343p. Toronto, Canadian Law List Pub. Co. $6.

Cliff, E. H. Civil Code of Lower Canada, with Amendments Effected by Imperial Legislation, up to and Including the Fourth Session of the Eighteenth Legislature of the Province of Quebec, 25-26 George V, 1935. Montreal, Wilson and Lafleur. $7.50.

Complete Digest of Dominion Law Reports, vols. 1 to 1934 inclusive (118 vols.) also Canadian Annual Digests 1910 to 1934 inclusive; consolidating Canadian Consolidated Digests 1911-1920 and 1920-1925, Canadian Annual Digests 1926-1934 inclusive; the All-Canada Law Digest; ed. and comp. by the Editorial staff of the Canada Law Book Co. Ltd. directed by L. A. Schneider. 4v. Toronto, Can. Law Book Co. $60.

Cowan, J. The Surrogate Court Rules of Ontario; a Handbook on Surrogate Court Practice, including Amendments to Statutes affecting Surrogate Court Act, Registration of Deeds, Public Trustee, Trustee Act, etc., also the new schedules of Succession Duty rates; 6th ed. Toronto, T. H. Best. $2.

Crankshaw, John E. Criminal Code of Canada and the Canada Evidence Act, as Amended to Date; with commentaries annotations, citations of cases, etc.; 6th ed. cxi, 1770p. Toronto, Carswell. $20.

Falconbridge, John Delatre, 1875—. The Law of Banks and Banking, Clearing Houses, Currency and Legal Tender, Bills, Notes, Cheques and Other Negotiable Instruments; 5th ed. lxv, 1030p. Toronto, Canada Law Book Co. $12.

Goldenberg, H. Carl, 1907—. The Law of Delicts Under the Civil Code of Quebec. xii, 155p. Montreal, Wilson and Lafleur. $2.50.

Grigg, A. P. The Code of Civil Procedure of the Province of Quebec, Including all Amendments and Rules of Practice. 2d. ed. Montreal, Wilson and Lafleur. $7.50.

Kennedy, William Paul McClure, 1880—, and Schlosberg, H. J. Law and Custom of the South African Constitution; a treatise on the constitutional and administrative law of the Union of South Africa, the mandated territory of Southwest Africa and the South African crown territories. xxxix, 640p. London, Oxford. 36/.

Lighthall, William Schuyler, 1895—. The Dominion Companies Act, 1934, With Amendments of 1935. Montreal, Southam Press. $7.50, half calf $9.50.

Wyman, Elmer Sam Manuel, 1907—. Laws of Insurance, Fire, Automobile and Life; an analysis of cases in Canadian, English and American courts, and the Insurance Acts of the Provinces of Ontario, Manitoba, Alberta, Saskatchewan, British Columbia, Nova Scotia and New Brunswick. v, 342p. Toronto, Canada Legal Authors. $10.

Literature—Essays, Addresses, Etc.

Boeschenstein, Herman. Hermann Stehr. 92p. Breslau, Priebatsch.

Broadus, Edmund Kemper, 1876—. Saturday and Sunday. 260p. Toronto, Macmillan. $2.

Brown, Edward Killoran, 1905—. Studies in the Text of Matthew Arnold's Prose Works. ii, 139p. Paris, E. Droz.

Canadian Club of Toronto. Addresses. v. XXXII, Season of 1934-35. xvi, 352p. Toronto, Warwick Bros. & Rutter, for members only.

Carman, Bliss, 1861-1929 and Pierce, Lorne Albert, 1890—, *eds.* Our Canadian Literature; representative verse, English and French. xxii, 361p. ports. Toronto, Ryerson. $3.

Davis, Herbert J., *ed.* The Drapier's Letters to the People of Ireland Against Receiving Wood's Halfpence. xcv, 400p. Oxford, Clarendon Press. 21/.

Delano, Lucile Kathryn, 1902—. A Critical Index of Sonnets in the Plays of Lope de Vega. 70p. Univ. of Toronto Press. $1.

Empire Club of Canada, Toronto. Addresses, 1934-35, thirty-second year of issue. vii, 411p. port. Toronto, the Club. $1.

Fallis, Nelles R. A Miscellany of Tales and Essays; rev. ed. v, 174p. Toronto, Clarke, Irwin. 45c.

Foran, Ethel Ursula. Springtime Fancies. ix, 159p. front. pl. ports. Montreal, Gazette Print. Co.

Foran, Joseph Kearney, 1857-1931. Blossoms of the Past. 205p. Montreal, Gazette Print. Co.

Green, Frederick Charles, 1891—. Minuet, A Critical Survey of French and English Literary Ideas in the Eighteenth Century. vii, 489p. Toronto, Dent. $5.

Lange, Victor. Die Lyrik und ihr Publikum im England des 18 Jahrhunderts; eine Geschmacksgeschichtliche Untersuchung uber die Englischen Anthologien von 1670-1780. viii, 117p. Weimar, verlag Hermann Böhlaus Nachf.

Leacock, Stephen Butler, 1869—. Humor —Its Theory and Technique, with Examples and Samples; a book of discovery. v, 268p. Toronto, Dodd, Mead. $2.50.

McCurdy, Edward. A Literary Enigma; the Canadian Boat Song. 108p. Stirling, Scotland, Eneas Mackay. 3/6.

Mensenkampff, Ursula *von*. Die Grenze in der Anglo-Kanadischen Literatur. 90p. Riga, A. G. Ernst Plates.

Miller, Muriel. Bliss Carman, A Portrait. 136p. Toronto, Ryerson. $2.

Sedgewick, Garnet G. Of Irony, Especially in Drama. 100p. Univ. of Toronto Press. $1.

Snow, Victoria Langton. Sparks from a Kitchen Fire. 143p. Toronto, Nelson. $1.

Strachan, Jessie. Poems and Scotch Prose. 40p. pl. Bluevale, Ont., R.R. 2, the Author.

Writers' club of Regina College. Tuesday Night, 1935. 32p. Regina, Western Printers.

Medicine

British Columbia. Dept. of the Provincial Secretary. A Plan of Health Insurance for British Columbia, 1935. 54p. Victoria, B.C., the Dept.

Canadian Medical Association. Committee on Group Hospitalization. Group Hospitalization or the Periodic Payment Plan for the Purchase of Hospital Care. 51p. Toronto, the Association.

Canadian Welfare Council. Special Committee of the Division on Maternal and Child Hygiene. Need our Mothers Die? 143p. Ottawa, the Council.

Connell, James Cameron, 1863—. The book of a Life. 150p. il. Toronto, Ryerson. $2.

Goldbloom, Alton, 1890—. The Care of the Child; 2d ed. rev. and enl. 248p. il. Toronto, Longmans. $1.50.

MacDermot, Hugh Ernest, 1888—. History of the Canadian Medical Association, 1867-1921. xi, 209p. Toronto, the Association. $3.

Rudolf, Robert Dawson, 1865—. Medical Treatment of Disease; 4th ed. 540p. Univ. of Toronto Press. $4.

Mining and Metallurgy

Cairnes, Clive Elmore, 1892—. Descriptions of Properties, Slocan Mining Camp, British Columbia. v, 274p. pl. maps, plans, diagrs. Ottawa, King's Printer. 75c.

Canada. Dept. of Mines. Mines Br. The Canadian Mineral Industry in 1934. 119p. Investigations in Ore Dressing and Metallurgy, January to June, 1934. 209p. diagr. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Mining, Metallurgical and Chemical Br. Annual Report on the Mineral Production of Canada, 1933. 272p. 50c. Coal Statistics for Canada, for 1934. 105p. maps, diagr. 25c. Iron and Steel and Their Products in Canada, 1931-1933. 134p. Ottawa, King's Printer.

Canadian Mines Handbook, 1935. 352p. Toronto, Northern Miner Press, 122 Richmond St. West. $1.

Contributions to Canadian Mineralogy, 1935; from the Department of Mineralogy and Petrography, University of Toronto. 69p. pl. map, diagrs. Univ. of Toronto Press.

Cummins, Walter John Carnegie. Amateur Prospecting. 83p. Calgary, the Author, General delivery. $1.

Gilmore, Ross E., 1888—, Nicolls, Jasper Henry Hume, 1886—, and Connell, Gerald P. Coal Friability Tests. 102p. pl. diagrs. Ottawa, King's Printer. 25c.

Goudge, Monson Fraser, 1895—. Limestones of Canada, their Occurrence and Characteristics, pt. III, Quebec. x, 274p. il. maps. diagrs. Ottawa, King's Printer. 50c.

Hanson, George, 1891—. Portland Canal Area, British Columbia. 179p. maps, plans, diagrs. Ottawa, King's Printer. 50c.

McMahon, J. F. A Study of Clay Winning and its Costs in the Provinces of Ontario and Quebec. iv, 90p. il. diagrs. Ottawa, King's Printer. 25c.

Nicolls, Jasper Henry Hume, 1886—, and Mohr, C. B., *comps.* Analyses of Coals and Other Solid Fuels, 1932, 1933 and 1934. iii, 58p. Ottawa, King's Printer. 10c.

Picher, Rodolphe Hector, 1889—. Road Gravels in Quebec. 214p. Ottawa, King's Printer. 50c.

Robinson, Arthur Herbert Ashburner, 1873—. Gold in Canada, 1935. viii, 127p. maps, diagrs. Ottawa, King's Printer. 25c.

Stockwell, C. H. Gold Deposits of Elbow-Morton Area, Manitoba. 74p. map, plans. Ottawa, King's Printer. 25c.

Townsley, Benjamin Franklin, 1890—. Minefinders; the history and romance of Canadian mineral discoveries; illus. by Evan Macdonald. 246p. il. ports. maps. Toronto, Macdonald Galleries, 26 Grenville St. $3.

Philosophy and Psychology

Blatz, William Emet, 1895—, and Ringland, *Mrs.* Mabel (Crews), 1890—. The Study of Tics in Pre-School Children. 58p. Univ. of Toronto Press. 60c.

Bridges, James Winfred, 1885—. The Meaning and Varieties of Love. 231p. Cambridge, Mass., Sci-Art Pub. $2.25.

Castell, Alburey. A College Logic; an introduction to the study of argument and proof. ix, 392p. diagrs. N.Y. Macmillan, $2.

Grube, George M. A. Plato's Thought. xv, 310p. Toronto, Saunders. $3.75.

Tracy, Frederick. Broken Lights. 140p. Univ. of Toronto Press. $1.25.

Poetry and Drama

Allan, Martha. Summer Solstice; a drama in one act. 36p. plan. Toronto, Samuel French (Canada). 35c.

Alpha Arts and Letters Society. The Good Ship "Fun." 32p. Hamilton, Davis-Lisson. 35c.

Belcher, Beaufort. Radical Ridicule; decorations by Evan Macdonald. 78p. il. Toronto, Macdonald Galleries. $1.50.

Bourinot, Arthur Stanley, 1894—. Selected Poems (1915-1935); with a note by Sir Andrew MacPhail. x, 90p. Toronto, Macmillan. $2.

Bowen, *Mrs.* Minnie Henrietta Bethune, 1861—. Winnowaia; with a foreword by Prof. Frank Oliver Call. 39p. Sherbrooke, Que., Page-Sangster Co. 60c.

Bullock-Webster, L. (Chareh Sultan el Osman, *pseud.*) The Shadow of the Nile; a play in one act. 28p. plan. Toronto, Samuel French (Canada). 35c.

Canadian Authors' Association. Montreal Branch. Poetry Group. Poetry Year Book, 1935. viii, 47p. Montreal, the Association. 50c.

Canadian Authors' Association. Nova Scotia Branch. An Acadian Sheaf; selections from current Nova Scotian poetry, vol. II. Halifax, Mrs. H. Piers. 50c.

Canadian Authors' Association. Saskatchewan Branch. Saskatchewan Poetry Year Book, 1935-36. 38p. Regina, Western Printers Assoc. 50c.

Canadian Authors' Association. Victoria and Islands Branch. Poetry Group. Victoria Poetry Chapbook; foreword by Alan Crawley. 26p. Victoria, the Association. 25c.

Carman, Bliss, 1861-1929 and Hovey, Richard, 1864-1900. Songs from Vagabondia and More Songs from Vagabondia. viii, 159p. N.Y. Dodd, Mead. $2.

Carsley, Sara E. Alchemy and Other Poems. vi, 61p. Toronto, Macmillan. $1.50.

Creighton, Alan. Earth Call; a book of poems. Toronto, Macmillan. $2.

Dalton, Annie Charlotte. Lilies and Leopards. x, 68p. Toronto, Ryerson. $2.

Devlin, Edward Wade. Rose Latulippe; a Canadian folk-play in one act. 32p. plan. Toronto, Samuel French (Canada). 35c.

Fairbairn, A. M. D. Plays of the Pacific Coast. 111p. Toronto, Samuel French (Canada). 60c.

Farquharson, Rica McLean. Sure of a Fourth; a satirical comedy in one act. 27p. Toronto, Samuel French (Canada). 35c.

Fishpool, John Foster, 1885—. Sparks from the Anvil. 48p. St. Thomas, Ont., the Author. 50c.

Gould, Alice Kathryn. By the Rideau; a tale of Smiths Falls in song and story. 32p. Smiths Falls, Ont., the Author.

Grigsby, Joan S. (*Mrs.* G. M. Bryer), 1909—, *ed. and tr.* The Orchid Door, ancient Korean poems, collected and done into English verse, il. by Lilian Miller. 105p. Kobe, J. L. Thompson & Co. $3.

Gustafson, Ralph. The Golden Chalice. 104p. London, Nicholson and Watson. 3/.

Howard, Sidney Coe, 1891—. Paths of Glory; a play, adapted from the novel by Humphrey Cobb; with a foreword for college theatres by Sidney Howard. xvii, 174p. N.Y. French. 75c; cloth $1.50.

Hugo, Victor Marie, *comte*, 1802-1885. Victor Hugo's Hernani, ed. with introd. notes by D. O. Evans. (Modern Studies). London, Nelson.

Irvine, William, 1885—. The Brains we Trust; a play in three acts. 48p. Toronto, Nelson. 25c.

Jaques, Edna. My Kitchen Window. ix, 83p. Toronto, Allen. $1.

Kirkconnell, Watson, 1895—, *ed.* Canadian Overtones; an anthology of Canadian poetry written originally in Icelandic, Swedish, Norwegian, Hungarian, Italian, Greek and Ukrainian, and now tr. and ed. with biographical, historical, critical, and bibliographical notes. 104p. Winnipeg, Columbia Press. $1.

Knight, Mary, and Letson, Marguerite. Pageants and Plays; four plays which have been awarded prizes by the Imperial Order of the Daughters of the Empire. 57p. Toronto, Nelson. 25c.

Lang, C. D. Rhymes of a Roughneck. 46p. Winnipeg, Jackson Trade Pub. Co.

Lloyd, Cecil Francis. Landfall; the collected poems. xi, 47p. Toronto, Ryerson. $1.50.

MacDonald, Wilson, 1880—. Quintrains of Callander and Other Poems; illus. by Guy Rutter. 46p. $1.50. The Song of the Undertow and Other Poems. 175p. $2.50; lea. $5; ltd. ed. $10. Toronto, Saunders.

Martin, Martha, 1875—. Come Into My Garden; poems on flowers and trees. 61p. pl. N.Y. the Author, 23 W. 89th St. 1935. $1.25.

Morris, Melba, 1909—. Through Casement Windows. 38p. Owen Sound, Ont., the Author.

Pratt, Edwin John, 1883—. The Titanic. 42p. Toronto, Macmillan. $1.50.

Prospector, *pseud.* Lonely Trails. 170p. Victoria, B.C., Victoria Print Co.

Prower, Nelson. Sonnets and Other Verses. 29p. Vancouver, Roy Wrigley. 10c.

Ramsay, Alexander. Coercion; a one act play. 28p. plan. Toronto, Samuel French (Canada). 35c.

Reed, Wilfred Joseph, 1911—. The Empire of the North and Other Imaginative Stories of the Past and Future. 129p. $1. Stories of Travel. 129p. 50c. Vancouver, Roy Wrigley.

Representative Poetry Selected and Annotated for Use in the University of Toronto; new ed. rev. and enl. 2v. xiv, 944; xi, 671p. Univ. of Toronto Press. $3; $2.50.

Sandercock, W. Clark. The Dance in the Buffalo Skull, and Other Poems. 156p. Toronto, Saunders. $2.

Scott, Duncan Campbell, 1862—. The Green Cloister, Later Poems. 96p. Toronto, McClelland. $1.50.

Shakespeare, William, 1564-1616. Macbeth; *ed.* by Clarence P. Thoms. 189p. il. Toronto, Copp Clark. 30c limp cloth; 40c stiff cloth.

Sherman, Francis, 1871-1926. The Complete Poems, ed. with a memoir by Lorne Pierce, and foreword by Sir Charles G. D. Roberts. ix, 178p. Toronto, Ryerson. $3.

Sproule, Dorothy, 1877—. Earth and Stars. 46p. port. Montreal, Mercury Press.

Stephen, Alexander Maitland, 1882—. Verendrye; a poem of the New World. xi, 66p. Toronto, Dent. $1.25.

Thomas, Lillian Beynon. Jim Barber's Spite Fence; a comedy in one act. 32p. Toronto, Samuel French (Canada). 35c.

Villon, Francois, 1431-1484? The Poems of Francois Villon; tr. by Lewis Wharton, with an introd. by D. B. Wyndham Lewis. 152p. Toronto, Dent. $2.

Vlassis, George Demetrios. Leaves from Canadian Poetry in Modern Greek. 44p. Toronto, the Author, Central Y.M.C.A.

Voaden, Herman, A., *ed.* A Book of Plays for Schools and Community Drama Groups in Canada. xviii, 316p. Toronto, Macmillan. 50c.

Wallace, Horatio. Poems and Songs of Life. 96p. London, Wright and Brown. 75c.

Westacott, Florence Elizabeth. The City Dweller and Other Poems. 40p. Toronto, Sovereign Press. 75c.

Wise, William H. Of Four and Forty Years. 59p. Toronto, the Author, 3 Hogarth Ave.

Political Economy, Politics and Current Events

Aberhart, William, 1878—. Social Credit Manual; social credit as applied to the Province of Alberta. 64p. port. facsim. Calgary, the Author. 15c.

Bates, Edward Stanley. A Planned Nationalism; Canada's effort. xii, 171p. Toronto, Macmillan. $2.50.

Bennett, Richard Bedford, 1870—. The Premier Speaks to the People; the Prime Minister's January radio broadcasts issued in book form. 5pt. 20; 20; 19; 18; 26p. Ottawa, Dominion Conservative Headquarters.

Caldwell, Anne Irene, 1881—. Money—What is It? 181p. Gardenvale, Que., Garden City Press. $1.

Canada. Dept. of Labour. Labour Legislation in Canada, 1934. xvi, 59p. 25c. Trade Union Law in Canada, January 1935. 114p. 50c. Twenty-Fourth Annual Report on Labour Organization in Canada, 1934. 217p. diagrs. 50c. Wages and Hours of Labour in Canada, 1929, 1933 and 1934. 103p. Ottawa, King's Printer.

Canada. Royal Commission on Price Spreads. Minutes of Proceedings and Evidence, Oct. 30, 1934—Feb. 1, 1935. 65pt. Index to Minutes of Proceedings and Evidence. 130p. 25c. Report. xxxi, 506p. diagrs. $1. Ottawa, King's Printer, 1934-35.

Canada. Royal Commission on the Natural Resources of Saskatchewan. Report. Hon. A. K. Dysart, Chairman, Hon. H. V. Bigelow, George C. McDonald, Esq., C. A. Oliver Master, Secretary. 68p. Ottawa, King's Printer. 25c.

Canadian Institute of Economics and Politics. Addresses and Outlines of Addresses. 60p. Toronto, National Council of Y.M.C.A.'s. 60c.

Cohen, Jacob L. The Canadian Unemployment Insurance Act—Its Relation to Social Security. 167p. Toronto, Nelson. $2.

Dawson, Carl Addington, and Gettys, Warner, E. An introduction to Sociology; rev. ed. xvii, 870p. il. N.Y. Ronald Press. $4.

Gilman, C.P. and Sinclair, H. M. Unemployment, Canada's Problem. xi, 119p. Ottawa, Army and Navy Veterans Assoc. $1.

Green, Wilson Floyd, 1905—. Democratic Distribution. 117p. Winnipeg, the Author. 60c.

Haldorson, Haldor. Man and Machine. 50p. Winnipeg, the Author. 50c.

Innis, *Mrs.* Mary Quayle. An Economic History of Canada. ix, 302p. Toronto, Ryerson. $3.

Jackson, Gilbert Edward, 1890—. An Economist's Confession of Faith. 182p. Toronto, Macmillan. $2.

King, William Lyon Mackenzie, 1874—. Industry and Humanity; a study in the principles underlying industrial reconstruction; new and abridged ed. xx, 269p. Toronto, Macmillan. $2.

League for Social Reconstruction. Research Committee. Social Planning for Canada. xvi, 528p. Toronto, Nelson. $3.75.

MacCallum, Elizabeth Pauline, 1895—. Rivalries in Ethiopia, introd. by Newton D. Baker. 64p. map. N.Y. World Peace Foundation. 25c; cloth 50c.

McCollum, Watt Hugh. Who Owns Canada? 60p. diagr. Regina, C.C.F. Research Bureau, Drawer 339. 25c.

McGeer, Gerald Grattan, 1888—. The Conquest of Poverty; or, Money, Humanity and Christianity. xix, 359p. Gardenvale, Que., Garden City Press. $2.

MacInnis, Grace, and Woodsworth, C. J. Canada Through C.C.F. Glasses. 88p. Ottawa, Commonwealth Print. and Pub. Co. 25c.

MacKay, Robert Alexander, 1894—, and Saunders, Stanley Alexander, 1900—. The Modern World, Political and Economic. xvi, 558p. front. il. diagrs. Toronto, Ryerson. $1.95.

Mackintosh, William, Archibald, 1895—, and others. Economic Problems of the Prairie Provinces by W. A. Mackintosh, assisted by A. B. Clark, G. A. Elliott, and W. W. Swanson. (Canadian Frontiers of Settlement, ed. by W. A. Mackintosh and W. L. G. Joerg, v.4). ix, 308p. Toronto, Macmillan. $4.

Marsh, Leonard Charles. Employment Research. (McGill Social Research ser. no. 1). xviii, 344p. front. maps, diagrs. Toronto, Oxford Univ. Press. $2.50.

Massey, Vincent, 1887—. Canada and the Outside World. Toronto, McClelland & Stewart. $2.50.

Morton, N. W. Occupational Abilities; a study of unemployed men; with an introd. by C. E. Kellogg. (McGill Social Research ser. 3). 280p. Toronto, Oxford Univ. Press. $2.50.

Quenneville, Charles. Essentials of Economics. ix, 169p. il. Toronto, Ryerson. 70c.

Reynolds, Lloyd G. The British Immigrant, His Social and Economic Adjustment in Canada; with an introd. by Carl A. Dawson. (McGill Social Service ser. 2). xxi, 364p. front. maps, diagrs. Toronto, Oxford Univ. Press. $3.50.

Scott, Francis Reginald, 1899—, and Cassidy, Harry Morris, 1900—. Labour Conditions in the Men's Clothing Industry, a Report. x, 106p. Toronto, Nelson, for the Institute of Pacific Relations. 75c.

Thomas Aquinas, *Saint*, 1225?-1274. On the Governance of Rulers (*De regimine principum*); tr. from the Latin by Gerald B. Phelan. 143p. Toronto, St. Michael's College. 75c.

Trades and Labor Congress of Canada. Report of the Proceedings of the Fifty-First Annual Convention, held at the city of Halifax, Nova Scotia, September 16th to 20th, 1935. 196p. Ottawa, the Congress.

Wallace, William Stewart, 1884—. A Reader in Canadian Civics. xv, 186p. Toronto, Macmillan. 28c.

Religion

Allan, William. Crowded Ways; a second series of meditations broadcast from the Rogers radio station, C.F.R.B. Toronto. x, 147p. Toronto, Nelson. $1.

Brown, William Gordon, 1904—. To Testify . . . The Grace of God; in memoriam Pastor W. J. H. Brown. 60p. The Author, Toronto Baptist Seminary.

Burkholder, Lewis J., 1875—. A Brief History of the Mennonites in Ontario. 100 pictures of men and churches, illus. and maps; written and comp. under the direction of the Mennonite Conference of Ontario. 358p. il. ports. maps. facsims. Markham, Ont., the Author, 1935.

Campbell, Norman. A History of Wesley United Church, Pembroke, Ontario, 1835-1935. 68p. il. ports. Pembroke, the Church.

Chambers, Oswald, *d.* **1917.** My Utmost for His Highest; the golden book of Oswald Chambers. 375p. Toronto, McClelland & Stewart. $1.25.

Church of England in Canada. The Year Book and Clergy List, 1935. 207p. pl. ports. map. Toronto, General Synod of the Church of England in Canada. 75c.

Creswicke, *Mrs.* **May (Spry), 1870—.** The History of Trinity Church, Barrie, Ontario, Canada, 1835-1935. 60p. il. ports. Barrie, the Church. 80c.

Downer, Alfred Wallace, *comp.* Nottawasaga Anglican Churches, Ontario, Historical Sketches; Christ Church, Batteau, 1865-1935; Church of the Redeemer, Duntroon, 1875-1935; St. Paul's Church, Singhampton, 1875-1935. 56p. il. ports. Duntroon, Ont., the Compiler.

Graham, Audrey, 1912—, *comp.* Historic St. John's at York Mills, 1816-1843. 61p. il. ports. diagr. Toronto, Hendrick-Jewell Co. 75c.

Hooke, Samuel Henry, 1874—, *ed.* The Labyrinth; further studies in the relation between myth and ritual in the ancient world. xiv, 288p. il. pl. London, Society for Promoting Christian Knowledge. 12/6. Macmillan. $4.50.

Hughes, Albert, 1888—. Renamed; Saul becomes Paul. 128p. Philadelphia, American Bible Conference Assoc., Drexel Bldg. 50c, cloth $1.

Jameson, John. From Wentworth Mission to St. Andrews Church, 1856 to 1935. 68p. Hamilton, Modern Printery.

MacKinnon, Albert Glenthorn, 1871—. Rome of the Medieval Church (earlier section); with twelve illus. in photogravure. 237p. front. pl. London, Lutterworth Press. $2.50.

MacMillan, Alexander, 1864—. Hymns of the Church. 323p. Toronto, Ryerson. $2.

Massey, Denton, 1900—. The Stuff Men are Made Of, with an introd. by Rev. G. Stanley Russell. 254p. Toronto, Saunders. $2.

Parker, Stuart C. Little Tales of Jesus. 133p. Toronto, Presbyterian Pubs. $1.

Pidgeon, George C. The Communion of Saints. 63p. Toronto, Ryerson. 50c.

Pilcher, Charles Venn, 1879—. The Prayer that Teaches to Live; being studies in the Lord's Prayer. 64p. London, Society for Promoting Christian Knowledge.

Presbyterian Church in Canada. The Acts and Proceedings of the Sixty-First General Assembly, Montreal, Que., June 5-13, 1935. 345, vii p. Toronto, Murray Print. Co.

Russell, George Stanley, 1883—. The Face of God. 114p. Toronto, Musson. $1.

Shields, Thomas Todhunter. "Other Little Ships". Freighted with Comfort. xiii, 261p. Toronto, Hunter-Rose. $1.50.

United Church of Canada. Year Book. 701p. Toronto, the Church.

York, Eva Rose, 1858—. When my Dreams Came True. 62p. Toronto, Evangelical Pub. 40c.

Science

Alcock, Frederick James, 1888—. Geology of Chaleur Bay Region. iv, 146p. front. pl. maps, diagrs. Ottawa, King's Printer. 50c.

Berry, Edward Wilber, 1875—. A Preliminary Contribution to the Floras of the Whitemud and Ravenscrag Formations. 107p. incl. pl. Ottawa, King's Printer. 25c.

Fraser, F. J., McLearn, Frank Harris, 1885—, and others. Geology of Southern Saskatchewan, by F. J. Fraser, F. H. McLearn, L. S. Russell, P. S. Warren, and R. T. D. Wickenden. 137p. front. pl. diagrs. Ottawa, King's Printer. 50c.

Gaetz, Halley Tansley. Water-White Hydro-Carbons from Trinidad Asphalt. 137p. il. Los Angeles, Cal. Grafton Pub. Co. $3.50. The Author, 25 Kingswood Rd., Toronto.

Mawdsley, James Buckland, 1894—, and Norman, G. W. H. Chibougamau Lake Map-Area, Quebec. iv, 95p. front. pl. maps. Ottawa, King's Printer. 25c.

Middleton, William Edgar Knowles, 1902—. Visibility in Meteorology; the theory and practice of the measurement of the visual range. viii, 104p. front. diagrs. Univ. of Toronto Press.

Mitchell, *Mrs.* **Margaret Knox (Howell), 1901—.** The Passenger Pigeon in Ontario; pub. under the Reuben Wells Leonard Bequest. (Royal Ontario Museum of Zoology. Contribution no. 7). 181p. front. il. diagrs. facsims. Univ. of Toronto Press.

Montgomery, R. H. Levelling; Altitudes in Quebec North of St. Lawrence River. 123p. 25c. Levelling; Altitudes in Quebec South of St. Lawrence River. 109p. 25c. Ottawa, King's Printer.

Norman, George William Hal, 1898—. Lake Ainslie Map-Area. iv, 103p. il. pl. maps. Ottawa, King's Printer.

Raup, Hugh Miller, 1901—. Botanical investigations in Wood Buffalo Park. (National museum of Canada). 174p. il. maps, diagrs. Ottawa, King's Printer. 50c.

Rockley, Alicia Margaret (Tyssen-Amherst) Cecil, *baroness.* Wild Flowers of the Great Dominions of the British Empire. xii, 380p. il. pl. Toronto, Macmillan. $4.75.

Royal Canadian Institute. Transactions. v.20, pt.2, Dec. 1935. p.169-333. il. pl. maps, diagrs. Univ. of Toronto Press. $2.

Royal Society of Canada. List of Officers and Members and Minutes of Proceedings, 1935. (Trans. 1935; 3rd ser. v.29). 21, cxxi p. pl. ports. Ottawa, the Society.

Snyder, Lester Lynne, 1894—. A Study of the Sharptailed Grouse. 66p. front. il. pl. maps, facsim. Univ. of Toronto Press.

Synge, John Lighton, 1897—. Principal Null-Directions Defined in Space-Time by an Electromagnetic Field. 50p. diagrs. Univ. of Toronto Press.

University of Toronto. Dept. of Physics. McLennan Laboratory. Communications from the Low Temperature Division, no.71 to 80 Inclusive. 81p. diagrs. Univ. of Toronto Press.

Sport

Bautzmann, Hermann. Learn to Ski. x, 81p. Toronto, Macmillan. $1.

Greene, Ernest. The Greene Book on Contract: in Seven Complete Lessons. 96p. London, Joiner & Steele. 2/6.

Statistics and General Works

Canada. Dominion Bureau of Statistics. The Dominion Bureau of Statistics; Its Origin, Constitution and Organization. 88p. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Seventh Census of Canada, 1931. v.III, Ages of the people classified by sex, conjugal condition, racial origin, religion, birthplace, language, literacy, school attendance, year of immigration, naturalization, etc. xvi, 1009p. v.V, Earnings of wage-earners, dwellings, households, families, blind and deaf-mutes. xlvii, 1730p. $1. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Vital Statistics, 1933; Thirteenth Annual Report. 440p. Ottawa, King's Printer. $1.

Canada. Dominion Bureau of Statistics. Finance Statistics Branch. Financial Statistics of Provincial Governments in Canada 1932 and 1933. 99p. Ottawa, King's Printer. 25c.

Canada, 1935; The Official Handbook of Present Conditions and Recent Progress. 192p. il. maps, diagrs. Ottawa, Dominion Bureau of Statistics. 25c.

The Canada Year Book 1934-35; the official statistical annual of the resources, history, institutions and social and economic conditions of the Dominion. xl, 1235p. maps, diagrs. Ottawa, King's Printer. $1.50; free to libraries.

Canadian Almanac and Legal and Court Directory for the Year 1935; ed. by Horace C. Corner. 661p. map. Toronto, Copp Clark. $6.

Canadian Annual Review of Public Affairs, 1934; a current history of Canada's political and economic affairs and of her Imperial and International relations; thirty-third year of issue. 688p. diagrs. Toronto, The Canadian Review Co. Ltd. $8.

5000 Facts About Canada; comp. by Frank Yeigh, 1935 ed. Toronto, Canadian Facts Pub. Co. 35c.

Ontario. Dept. of Municipal Affairs. Annual Report of Municipal Statistics for the Year 1934. 96p. Toronto, King's Printer.

Statistical Year Book, Quebec, 1935. xxxii, 452p. diagrs. Quebec, King's Printer.

Wallace, William Stewart, 1884—, *ed.* The Encyclopedia of Canada. 2v. fronts. pl. (partly col.), maps, plans, facsim. Toronto, University Associates of Canada. Morocco $72, fabrikoid $55.50, for complete set.

Transportation

Canada. Dept. of Marine. Navigation Conditions in Hudson Bay and Strait during Season of Navigation, 1934. 97p. pl. map. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Transportation and Public Utilities Br. Statistics of Electric Railways of Canada for the Year ended December 31, 1933. 63p. Ottawa, King's Printer. 25c.

Cowan, P. J. The Welland Ship Canal between Lake Ontario and Lake Erie, 1913-1932; reprint of articles appearing in *"Engineering"* during the years 1929, 1930 and 1931; in collaboration with officials of the Department of Railways and Canals. 254p. front. il. pl. maps, plans, diagrs. London, "Engineering".

Fournier, Leslie T. Railway Nationalization in Canada; the problem of the Canadian National Railways. (Princeton Univ. Dept. of Economics and Social Institutions). xiii, 358p. Toronto, Macmillan. $3.50.

Gibbon, John Murray, 1875—. Steel of Empire; the romantic history of the Canadian Pacific, the Northwest Passage of today. 423p. front. il. pl. ports. maps, facsims. music. Toronto, McClelland & Stewart. $3.50.

Jackman, William T., 1871—. Economic Principles of Transportation. 891p. Univ. of Toronto Press. $5.

Wallace, Frederick William, 1886—. Canadian Ports and Shipping Directory. 320p. Gardenvale, Que., National Business Pubs. $5.

Wallace, Frederick William, 1886—. The Romance of a Great Port. 64p. front. il. St. John, N.B. Committee of Transportation festival on occasion of Silver Jubilee of H.M. King George V.

Wright, C. P. The St. Lawrence Deep Waterway; a Canadian appraisal. xxi, 450p. Toronto, Macmillan. $4.50.

Travel and Description

Baldwin, Harold. A Farm for Two Pounds; being the odyssey of an emigrant. viii, 300p. front. London, Murray. 7/6.

Brinley, Kathrine Gordon (Sanger). Away to the Gaspé; illus. by Putnam Brinley. viii, 200p. front. il. pl. N.Y. Dodd. $2.50.

Clarke, John Mason, 1857-1925. The Gaspé, Including an Account of l'Ile Percée, the Finial of the St. Lawrence. Introd. by David McCord. xxiv, 203p. front. il. pl. maps. New Haven, Yale Univ. Press. $3.

Cranston, J. Herbert. Canada; (Peeps at Many Lands). v, 89p. front. il. pl. map, ports. Toronto, Macmillan. 75c.

Fuller, Basil, 1901—. Canada To-Day and To-Morrow. 288p. front. pl. London, Stanley Paul. 15/.

Graham, Augus. The Golden Grindstone; the adventures of George M. Mitchell. viii, 304p. front. il. maps. London, Chatto. 10/6.

Herklots, Hugh Gerard Gibson, 1905—. The First Winter; a Canadian chronicle. xiii, 176p. front. Toronto, Dent. $1.75.

The Imperial Royal Canadian World Atlas; "An Atlas for Canadians". vi, 216, xxvii p. maps. Toronto, Oxford. $2.

Kain, Conrad, *d.* **1934.** Where the Clouds can Go; with additional chapters by J. Monroe Thorington. xxi, 456p. il. N.Y. Amer. Alpine Club. $3.

Longstreth, Thomas Morris, 1886—. To Nova Scotia, The Sunrise Province of Canada. xiii, 290p. il. maps. Toronto, Ryerson. $2.50.

MacLennan, Catherine Mae. Rambling Round Stanley Park. 47p. il. Vancouver, the Author. $1.25.

Mayer, Anton. Kanada. 160p. il. Berlin, Kurt Wolf Verlag. RM4.80.

O'Brien, John S., 1898—. Alone Across the Top of the World; the authorized story of the Arctic journey of David Irwin; foreword by Russell Owen. x, 254p. front. pl. ports. Toronto, Winston. $2.

Remits, Ernest Lorand, 1901—. Jottings from the New and Old Countries. 116p. Ottawa, the Author, 430 Gladstone Ave. $1.

Sevareid, Arnold E. Canoeing with the Cree. xii, 201p. il. map. Toronto, Macmillan. $2.

Seymour, *Mrs.* **June.** In the Moscow Manner. 286p. pl. London, Archer. 12/6.

Sinclair, Gordon Allan, 1900—. Loose Among Devils; a voyage from Devil's Island to those jungles of West Africa labelled The White Man's Grave. vii, 276p. N.Y. Farrar. $2.50.

Stricker, Jakob. Erlebnisse eines Schweizers in Kanada. 150p. pl. port. Zürich, Orell Füssli. RM.4.80.

Walker, James H. A Scotsman in Canada. 381p. London, Cape. 7/6.

Watson, Sir Norman James, 2d *bart.*, **1897—, and King, E. J.** Round Mystery Mountain; a ski adventure; with a foreword by F. S. Smythe. xii, 246p. front. pl. ports. maps. Toronto, Longmans. $4.50.

Wrong, Margaret. The Land and Life of Africa. 144p. London, Edinburgh House Press. 2/.

French-Canadian Books

L'Académie Canadienne Saint-Thomas d'Aquin. [Actes et travaux]. v.[4] (1933). Québec, L'Action Catholique.

Achard, Eugène, 1884—. Le Marinier de Saint-Malo, Roman Historique Canadien. 149p. il. 65c. Sous les Plis du Drapeau Blanc, Roman Historique Canadien. par Raoul Saint-Aimé (*pseud.*). (Bibliothèque Canadienne: collection Laval, no. 625). 161p. il. Montréal, Beauchemin.

Achard, Eugène, 1884—. Les Northmans en Amérique. v.1, Les Vikings des Grandes Etapes. (Collection du Zodiaque '35, v.8). Montréal, Déom.

Aleyrac, Jean-Baptiste d', 1737-1796. Aventures Militaires au XVIIIe Siècle, d'Après les Mémoires de Jean-Baptiste d'Aleyrac; publiés par Charles Coste, bois originaux de Renée Coste. 134p. front. il. map. Paris, Berger-Levrault; Montréal, Beauchemin. $1.20.

Almanach de l'Action Sociale Catholique. Année 19 (1935). Québec, L'Action Sociale Catholique. 50c.

Almanach de la Langue Française. v.21 (1936). Montréal, Lévesque. 50c.

Almanach du Peuple Beauchemin. v.66 (1935). Montréal, Beauchemin. 25c.

Almanach Rolland. v.70 (1936). Montréal, J. B. Rolland. 20c.

Archambault, Joseph-Papin, 1880—. La Fête des Saints Martyrs Canadiens; pourquoi et comment la célébrer. 151p. Montréal, L'Action Paroissiale. 50c.

Auclair, Elie Joseph Arthur, 1866—. Histoire de Châteauguay, 1735-1935. 243p., incl. pls. map. Montréal, Beauchemin.

Barbeau, Charles Marius, 1883—. Grand'-mère Raconte. 103p. il. 50c. Il Etait une Fois. 105p. il. 50c. Montréal, Beauchemin.

Bastien, Hermas, 1897—. Conditions de Notre Destin National. (Documents Sociaux). 239p. Montréal, Lévesque. 75c.

Beauséjour, *Mme.* **Camille (Brouillette).** Au fil des Heures Bleues, par Hélène [*pseud.*]. 153p. Grand'mere, P.Q., n.p. 75c.

Benoit, Josaphat, 1900—. L'âme Franco-Américaine. (Documents Sociaux). 246p. Montréal, Lévesque. 75c.

Bernard, Antoine, 1890—. Histoire de la Survivance Acadienne, 1755-1935. 467p. il. pls. maps. Montréal, Les Clercs de Saint-Viateur. $1.50.

Bernard, Harry, 1898—. Montcalm se Fâche. (Romans Historiques). 150p. pl. Montréal, Lévesque. 60c.

Bertrand, Camille, 1877—. (i.e. J. Camille Bertrand). Histoire de Montréal. v.1, 1535-1760. 303p. port. plan. Montréal, Beauchemin. $1.00, ppr., $5.00, bd.

Billault, Gabriel. La Culture des Légumes, Manuel Pratique de Culture Potagère. (Les Manuels du Cultivateur Canadien. Contribution, no 41). xv, 345p. il. La Trappe, P.Q., Institut d'Oka. 50c.

Blanchard, Raoul, 1877—. L'Est du Canada Français, "Province de Québec." 2v. il. pls. maps. plan. Paris, Masson; Montréal, Beauchemin. $7.

Bouchard, Georges, 1888—, *ed.* La Renaissance Campagnarde. (Albums Canadiens). 205p. il. port. Montréal, Lévesque. 75c.

Bourgeois, Marguerite. La Belle au Bois Dormant. (Pages Trifluviennes, série C, no 7). 79p. Trois-Rivières, Les éditions du Bien Public, 1935.

Bouvier, Léon. Le Précepte de l'Aumône Chez Saint Thomas d'Aquin. (Studia Collegii Maximi Immaculate Conceptionis, no 1). xvii, 200p. Montréal, L'Administration des Studia. $1.50.

Bovey, Wilfrid, 1882—. Canadien; Etude sur les Canadiens Français; version Française de Guillaume Lavallée. (Documents Sociaux). 325p. Montréal, Lévesque. $1.25.

Brassard, Adolphe, 1889—. Péché d'Orgueil, Roman; 2me éd. 262p. Montréal, Impr. des Sourds-Muets. 65c.

Brien, Roger, 1910—. Faust aux Enfers, Poèmes. 169p. Montréal, Les Editions du Totem. $1.

Brouillard, Carmel. Sous le Signe des Muses, Essais de Critique Catholique; 1ère Série. 241p. Montréal, Granger. 75c.

Brouillette, Benoît, 1904—. Le Canada par l'Image. 133p. pls. 2 fold. maps. Montréal, Lévesque. $1.50.

Brown, Edward Killoran, 1905—. Edith Wharton, Etude Critique. 348p. front. (port). Paris, Droz.

Bruchesi, Jean, 1901—. Histoire du Canada Pour Tous. (Documents Historiques). v.2, Le regime Anglais. Montréal, Lévesque. $1.25.

Bugnet, Georges, 1879—. La Forêt, Roman. 239p. Montréal, Editions du Totem. 75c.

Calder, R. L. Comment s'Eteint la Liberté. 131p. Lachute, L'auteur. $1.

Le Canada Ecclésiastique; annuaire du clergé. v.49 (1935). Montréal, Beauchemin. $2.25, bd.

Caouette, Aurélie. Une Mystique Canadienne, son Oeuvre, ses Vertus, par Une Religieuse du Précieux-Sang. 133p. Trois-Rivières, Monastère du Précieux-Sang. 60c.

Chagnon, Gustave. Contribution à l'Etude des Coléoptères de la Province de Québec. pt.2. (Université de Montréal, Département de Biologie, Publications). Montréal, Université de Montréal.

Chapais, *Sir* Thomas, 1858—. Discours et Conférences. 510p. Québec, Garneau. $1.60.

Charbonneau, Jean, 1875—. L'Ecole Littéraire de Montréal, ses Origines, ses Animateurs, ses Influences. (Les Jugements). 320p. Montréal, Lévesque. $1.

Choquet, Elisée, 1900—. Les Communes de Laprairie. 153p. fold. pl. il. facsim. Laprairie, Impr. du Sacré-Coeur. 90c. bd.

Choquette, Robert, 1905—. Le Fabuliste La Fontaine à Montréal. (Collection du Zodiaque "35", v.6). 311p. Montréal, Déom.

Colbert de Maulevrier, Edouard Charles Victurnien, *comte de,* **1758-1820.** Voyage dans l'Intérieur des Etats-Unis et au Canada, avec une introduction et des notes par Gilbert Chinard. (Institut Français de Washington. Historical Documents, cahier 8). xxiii, 87p. front. (port.). pls. 2 maps. facsim. Baltimore, Johns Hopkins Pr. $2.75.

Collinet, *Mme.* **Claire (Colpa).** La Guerre à la Guerre; ou, Le Triomphe de la Paix Universelle, par Claire Rosacolpa, *pseud.* 174p. Montréal, P. Collinet, Jr., 827 avenue Viger.

Le Comité National Français. Voyage au Canada; la Mission Jacques Cartier, préf. de Gabriel Hanotaux. 74p. 18 pls. Paris?, Editions de l'Atlantique.

La Congrégation de Jésus-Marie aux Indes. 103p. front. (port.). pls. Sillery, P.Q., Couvent de Jésus-Marie. 30c.

Constantin-Weyer, Maurice, 1881—. Le Flâneur Sous la Tente. (Les livres de nature). 221p. Paris, Stock. frs.12.-

Corminboeuf, F. Sciences Naturelles. 1, Précis de géologie et de minéralogie à l'usage des institutions Canadiennes-Françaises. 339p. incl. tables. La Trappe, P.Q., Inst. Agricole d'Oka. $2.

Dandurand, Albert. Littérature Canadienne-Française, la Prose. 213p. Montréal, Impr. Populaire. $1.

Desilets, Joseph, 1886—. Les P'tits Livres, Comédie en un Acte. 80p. Victoriaville, P.Q., L'auteur.

Desmarais, M. M. S. Albert le Grand, Docteur de la Médiation Mariale . . . préface par M.-D. Chenu. 172p. Paris, Vrin; Ottawa, Inst. d'Etudes Médiévales. $1.25.

Dion, Albert, 1862—. Histoire Primitive de la Paroisse de Saint-Thomas de Montmagny. pt.1, Topographie de Montmagny. 208p. front. (port.) il. plan. Québec, L'Action Catholique.

Douville, Arthur. De la Dispense. 160p. Québec, L'Action Catholique. 75c.

Dubois, Lucien. Histoire de la Paroisse de Gentilly. 286p. front. (port.). il. N.p. $1.50.

Duchein, F. Directoire du Saint Prêtre; préf. de S. E. Mgr. Georges Gauthier. v.1-2. Montréal, L'auteur, Au Grand Séminaire de Montréal. 75c. ea. v.

Dufour, Joseph Donat. Vers les Sommets, Roman. 224p. Sherbrooke, L'auteur. 75c.

Dutil, Lorenzo, 1895—. Le Régime de l'Electricité dans la Province de Québec, trust ou Municipalisation? 220p. Montréal, Les Editions Nouvelles. $1.

Ecole des Hautes Etudes Commerciales de Montréal. Etudes économiques; thèses présentées à la "Licence en sciences commerciales" en mai 1935. v.5. 431p. il. pls. Montréal, Beauchemin.

L'Education Nationale; avant-propos de l'Abbé Lionel Groulx. (Documents Sociaux). 212p. Montréal, Lévesque. 75c.

Evans, D. O. Le Roman Social Sous la Monarchie de Juillet. 167p. Paris, Presses Universitaires. frs.25.-

Fandrich, René, 1899—. L'Ecole Primaire Supérieure; un chapitre de l'histoire de l'enseignement au Canada. (Documents Sociaux). 183p. Montréal, Lévesque. $1.

Farley, L. C., 1890—. Miettes de bonheur, par Henri Joliet [*pseud.*]. 216p. Montréal, Editions Excelsior.

Farley, Paul-Emile, *and others.* Orientation Professionnelle. v.2, Les carrières civiles. 410p. Montréal, Les Clercs de Saint-Viateur.

Ferguson, Muriel Blackstock, 1885—. La Volonté dans la *Comédie Humaine* de Balzac. xii, 5-343p. Paris, Courville. frs.45.-

Filion, Laetitia. Yolande, la Fiancée, Roman. 188p. Lévis, Impr. "Le Quotidien". 75c.

La Foi en l'Amour de Dieu, par une Soeur de la Providence (Maison Mère, Montréal). (Aux petits âmes). 376p. front. Montréal, Office Central Catholique. $1.25.

Forbin, Victor, 1864—. La Grande Passion d'un Petit Peuple. 255p. Paris, Baudinière.

Francoeur, Jacqueline. Aux Sources Claires. 150p. il. Montréal, Lévesque.

Frémont, Donatien, 1881—. Mgr. Provencher et son Temps. 297p. front. (port.). pls. map. Winnipeg, Editions de la Liberté. $1.

Germain, Victorin, 1890—. Les Récits de la Crèche, Contes et Nouvelles. 202p. il. Québec, L'auteur. 50c.

Giroux, Télesphore, 1872—. Anciens Chantiers du St-Maurice, par Pierre Dupin [*pseud.*]. (Pages trifluviennes, série B, no 7). 132p. il. map. Trois-Rivières, Les Editions du Bien Public.

Goré, Henri. Le Petit Aviateur de Trois-Rivières, Roman Missionnaire. 191p. il. Ottawa, Impr. "Le Droit". 50c.

Groulx, Lionel, 1878—. Orientations. (Collection du Zodiaque, "35"). 311p. Montréal, Les Editions du Zodiaque. $1.

Guénette, René, 1897—. Essais sur l'Education. 199p. Montréal, Beauchemin. 75c.

Guertin, Raphaëlle-Berthe. Confidences, Poèmes. 127p. Joliette, L'Action Populaire. 75c.

Hanotaux, Gabriel, 1853—, and La Force, Auguste de Caumont, *duc de,* **1878—.** Histoire du Cardinal de Richelieu. v.4. 610p. il. Paris, Plon. frs.40.-

Harvey, Jean-Charles, 1891—. Jeunesse. (Les cahiers noirs). 59p. Québec, Editions de Vivre.

Harvey, Jean-Charles, 1891—. Sebastien Pierre, Nouvelles. 227p. il. Lévis, Les Editions du Quotidien. $1.

Hugolin, *Rév. Père,* **1877—.** Les Manuscrits du R. P. Frédéric Janssoone, O.F.M.; description et analyse (pro manuscripto). xv, 71p. Firenze, Collegio di S. Bonaventura. $1.

Joliat, Eugène. Smollett et la France. (Bibliothèque de la Revue de Littérature Comparée, v.105). 279p. port. map. Paris, Champion.

Les Journées de Presse Française à Québec au Cours des Fêtes du IVe Centenaire de la Découverte du Canada, 27-28 Août, 1934. 225p. Québec, Le Soleil, 1935?

Journées Thomistes. I, Essais et Bilans. 242p. Ottawa, Collège Dominicain. $1.

Juneau, Rolland, and Moussu, L. Phonétique et Diction à l'Usage des Maîtres de L'Enseignement Primaire Supérieur, de l'Enseignement Secondaire et des Ecoles Normales. [xii], 199p. il. Montréal, Beauchemin. $1.50, bd.

Keller-Wolff, Gustave. La Tragédie de la Forêt, Roman. 153p. Montréal, L'Editeur. 60c.

Lacerte, *Mme.* **Emma Adèle (Bourgeois), 1870-1935.** Le Vieux Lion Rex, Suivi de Fées et Lutins, Les Ivs aux Blanches Corolles, [et] L'moribond. 79p. il. Montréal, Beauchemin.

Lajat, Félix M. Petite Fontaine D'amour, Soeur Marie-Anne Fontaine, Religieuse Hospitalière de Saint-Joseph de l'Hôtel-Dieu de Tracadie (Nouveau Brunswick). 183p. front. (port.). pls. Montréal, L'Action Paroissiale.

Lallier, Joseph. Le Spectre Menaçant, Roman Canadien; 3e éd. 257p. Montréal, L'Action Paroissiale.

Lamarche, Gustave. Jonathas, Tragédie Tirée des Livres Saints avec Musique et Danse, Suivie de Tobie, Mystère Lyrique. 188p. Montréal, Libr. des Clercs de St-Viateur. $1.

Lamontagne, Olivette. Simples Pensées de Femme. 172p. il. Arthabaska, P.Q., L'Impr. d'Arthabaska. $1.

Lamontagne-Beauregard, Blanche, 1889—. Dans la Brousse, Poèmes. 215p. Montréal, Granger. 90c.

Lanctot, Alberte. La vie s'Ouvre . . . intimités. 151p. Montréal, Editions du Devoir. 75c.

La Roncière, Charles Germain Marie Bourel de, 1870—. Au fil du Mississipi avec le Père Marquette. 192p. Paris, Bloud et Gay. frs.6.-

Laurendeau, André. Notre Nationalisme. (Tracts des Jeune-Canada, no 5). 52p. Montréal, Impr. au "Devoir". 5c.

Laureys, Henry, 1882—. La Technique de l'Exportation. (Documents Economiques). 345p. Montréal, Lévesque. $1.25.

Laurier, *Sir* **Wilfrid, 1841-1919.** Sir Wilfrid Laurier, Lettres à Mon Père et à Ma Mère [M. et Mme. Pacaud], 1867-1919, [éd. par] Lucien Pacaud. 349p. port. Arthabaska, L'Impr. d'Arthabaska.

Lavallée, Jeannine, 1897—. Mea Culpa, écrit dans les Laurentides, Juillet-Septembre 1934. 177p. il. port. Montréal, Rénovation. $1.25, bd.

Le Blant, Robert. Un Colonial sous Louis XIV: Philippe de Pastour de Costebelle, Gouverneur de Terre-Neuve, puis de l'Ile Royale (1661-1717). 256p. Dax (Landes), P. Pradeu.

Le Couturier, Ernestine. La Visitation. (Collection "Les Grands Ordres Monastiques et Instituts Religieux", no 20). 278p. Paris, Grasset. frs.15.-

Legrand, Maurice Etienne, 1873-1934. Bonjour Messieurs . . . comment les Français redécouvrirent le Canada lors des fêtes de la commemoration de l'arrivée de Jacques Cartier à Gaspé [par] Franc-Nohain [*pseud.*] 59p. front. [Québec, Les Editions du "Cri de Québec"]. 25c.

LeMyre, Oscar. Sur les Ondes, Poèmes et Pièces Radiophoniques. 192p. Montréal, Impr. A. P. Pigeon.

Léopold, *Rév. Père.* La Culture des Fleurs. (Manuels du Cultivateur Canadien. Contribution no 42). 300p. col. front. il. La Trappe, P.Q., Institut Agricole d'Oka. $1.50.

Le Texier, F. Le Divin Rédempteur Etudiée à l'Ecole de Marie. vii, 152p. Dorval, P.Q., Maison Provinciale de la Compagnie de Maria; Laprairie, L'Impr. du Sacré-Coeur. 50c.

Longfellow, Henry Wadsworth, 1807-1882. Evangéline [trad. en français]. (Contes et récits). 101p. Montréal, Lévesque. 40c.

Lussier, Pierre-Rodrigue, 1884—. La Sécheresse dans l'Ouest, un Problème Nationale, Opinions Diverses [par] Rodrigue Lussier. 125p. Montréal, L'Impr. modèle. 50c.

Marie de l'Incarnation, *Mère,* **1599-1672.** Ecrits Spirituels et Historiques; publiés par Dom Claude Martin de la Congrégation de Saint-Maur; réédités par Dom Albert Jamet de la Congrégation de France, avec des annotations critiques des pièces documentaires et une biographie nouvelle. v.3. 417p. facsim. Paris, Desclée de Brouwer; Québec, L'Action Sociale.

Marie de l'Incarnation, Fondatrice du Monastère des Ursulines de Québec, par une religieuse Ursuline de Québec. 415p. front. il. pl. port. facsim. Québec, L'Action Catholique. $1.75.

Marie-Victorin, *Frère,* **1885—,** (i.e. Conrad Kirouac). Flore Laurentienne, Illustrée . . . par Frère Alexandre. [vi, 919]p. il maps. Montréal, Impr. de la Salle.

Marien, Roger. Synthèse de la Doctrine Catholique à l'Usage des Catéchistes, III. Montréal, N.p. $1.

Masse, Oscar, 1880— (i.e. J. Oscar Masse). A Vau-le-Nordet. 197p. Montréal, Beauchemin. 75c.

Mercier-Gouin, Yvette O. Cocktail, Comédie en Trois Actes. (La scène). 135p. Montréal, Lévesque. 60c.

Mère Marie du Sacré-Coeur (1806-1885), fondatrice du Bon-Pasteur de Québec, et ses collaboratrices, par une Religieuse de la même Congrégation. xv, 276p. front. (port.). pls. Québec, Asile du Bon-Pasteur, 74 Lachevrotière. $1.25 ppr., $2.75 bound.

Montigny, Louvigny Testard de, 1876—. Les Boules de Neige; comédie en trois actes, précédée d'un lever de rideau "Je vous aime". (Théâtre Canadien). xxiv, 231p. Montréal, Déom. $1.

Montpetit, Edouard, 1881—. Les Cordons de la Bourse. (Documents Economiques). 340p. Montréal, Lévesque. $1.

Morice, Adrian Gabriel, 1859—. Monseigneur Turquetil, O.M.I., apôtre des Esquimaux, et le miracle de ses missions. 283p. il. map. Winnipeg, L'auteur.

Oligny, *Mme.* **Odette L.** Entre vous et moi. 190p. Montréal, Les Editions du Totem. 75c.

Ollivier, Maurice. L'Avenir Constitutionnel du Canada. 183p. 75c. Le Canada, Pays Souverain? Le Statut de Westminster. 229p. 75c. Montréal, Lévesque.

Pacifique, *Rév. Père,* **1863—.** Etudes Historiques et Géographiques. 321, 36p. Restigouche, P.Q., L'auteur.

Pacifisme Révolutionnaire. (L'Oeuvre des tracts, no 197, nov. 1935). 197p. Montréal, L'Action Paroissiale. 10c.

Paradis, N. Henri. La Tarentule; Tragi-Comédie en cinq actes. 91p. Saint-Hyacinthe, L'Impr. Yamaska.

Parizeau, Gérard, 1899—. L'Assurance Contre l'Incendie au Canada, Evolution, Pratique, Vocabulaire. 254p. pl. diag. Montréal, Lévesque. $1.

Pellerin, Antoine. R/ Anticrise . . . solution carminative et roborative, guérit la société des crises et de ses complications; fabriquée à Montréal par Antoine Pellerin, docteur en rien du tout. 77p. Montréal, n.p. 50c.

Pelletier, Jeanne Marthe. Contes d'Autrefois et d'Aujourd'hui, par Ariane [*pseud.*]. 127p. Rivière-du-Loup, L'auteur. 60c.

Perras, Georges. Traité Elémentaire de Physique, Rédigé à l'Usage des Elèves de l'Enseignement Secondaire. xv, 678p. il. pl. diag. Montréal, Beauchemin.

Pour la Réconciliation par la Vérité, par un Observateur Canadien-Français, v.5-7, 10. Montréal, L'Impr. Populaire.

Problèmes de l'Heure; conférences prononcées devant le Club Canadien de Québec en 1933 et 1934. vii, 223p. Québec, L'Evènement. $1.25, bd.

Quebec (Province). *Archives.* Inventaire des Jugements et Délibérations du Conseil Supérieur de la Nouvelle-France de 1717 à 1760, par Pierre-Georges Roy. v.6-7. Beauceville, L'Eclaireur.

Quinel, Charles, and Montgon, A. de. Contes et récits du Canada. (Contes et légendes de tous les pays). 256p. Paris, Fernand Nathan. frs.15.-

Raiche, Joseph, 1886—. Miettes de Pain. 160p. Montréal, Les Editions du Totem. 75c.

Rainville, Paul, 1887—. "Tibi" (Carnet de Sanatorium). 265p. Beauceville, Impr. L'Eclaireur. $1.

Régis, L. M. L'Opinion Selon Aristote. 284p. Paris, Vrin; Ottawa, Inst. d'Etudes Médiévales. $1.50.

Remi, E. C. Soupirs du Coeur. 70p. Québec, L'auteur, Sainte-Foy-Est.

Renaudin, Paul, 1873—. Une Grande Mystique Française au XVIIe Siècle, Marie de l'Incarnation, Ursuline de Tours et de Québec; essai de psychologie religieuse. 340p. Paris, Bloud et Gay. frs.36.-

Richer, Léopold, 1902—. Nos Chefs à Ottawa. (Figures Canadiennes). 183p. il. Montréal, Lévesque. 75c.

Rivard, Adjutor, 1868—. Chez Nous. 257p. Québec, Garneau.

Roy, Armand. Têtes Fortes, Roman. 193p. Montréal, Les Editions du Totem. 75c.

Roy, Camille, 1870—. Historiens de Chez Nous. 191p. 65c. Romanciers de Chez Nous. 196p. $1. Montréal, Beauchemin.

Roy, Camille, 1870—. Nos Problèmes d'Enseignement. 223p. Montréal, Lévesque. 75c.

Roy, Charles Eugène. Méthode Pédagogique de l'Enseignement du Catéchisme; les fondements philosophiques et historiques. 346p. Paris, Casterman. $1.25.

Roy, Pierre-Georges, 1870—. Dates Lévisiennes. v.10. Appendice. Lévis, Impr. Le Quotidien.

Rumilly, Robert, 1897—. Marie Barbier, Mystique Canadienne. (Figures Canadiennes). 149p. Montréal, Lévesque. 75c.

Saint-Jacques, Eugène. Histoire de la Médecine. 225p. Montréal, Beauchemin. $1.25.

Saint-Léger, Alexandre René de, 1866—, and Sagnac, Philippe. La Prépondérance Française, Louis XIV (1661-1715). (Peuples et civilisations, histoire générale, v.10). 564p. Paris, Alcan. frs.50.-, ppr.; frs.75.-, bd.

Seers, Eugène, 1865—. Gloses Critiques, par Louis Dantin [*pseud.*]. 2me série. (Les jugements). 173p. Montréal, Lévesque. 75c.

Semaine d'Etudes Missionnaires du Canada. Introduction au problème des missions; compte rendu in extenso des cours et conférences. 300p. Ottawa, Le Secrétariat des semaines d'etudes missionnaires, Université d'Ottawa. $1.

Semaines Sociales du Canada. Compte rendu, XIII (Joliette, 1935), L'Education Sociale. 326p. Montréal, Secrétariat des Semaines Sociales du Canada, Ecole Sociale Populaire. $1.50.

Senécal, Adrienne. Le Notaire Jofriau. (Romans Historiques). 149p. pl. Montréal, Lévesque. 60c.

Soeurs de Sainte-Anne. Dictionnaire Biographique des Musiciens Canadiens; 2me éd. rev. 299p. ports. Lachine, Mont-Saint-Anne. $2.

Taschereau-Fortier, *Mme.* Marie-Caroline-Alexandra (Bouchette), 1874—. Le Tambour du Régiment, [par] Maxine [*pseud.*]. (Romans Historiques). 144p. il. Montréal, Lévesque. 60c.

Tesnière, Albert. Somme de la Prédication Eucharistique; les vertus sacerdotales; le prêtre sanctifié par sa messe. ix, 438p. Montréal, La Librairie Eucharistique.

Thuot, Georges. Le Christ, Notre Roi. 300p. Montréal, Impr. "Le Devoir". $1.

Trémaudan, Auguste Henri de, 1874-1931. Histoire de la Nation Métisse dans l'Ouest Canadien. (Documents Historiques). 450p. Montréal, Lévesque. $1.50.

Vaneetvelde, A. La Dépréciation de la Livre Sterling et les Exportations Britanniques. ii, 276p. Paris, Sirey. frs.35.-

Vincent, *Père*. L'Evangile dans la vie Scoute Catholique. 114p. il. Montréal, Lévesque. 25c.

Wald, André. Voir, Roman Canadien. 254p. Paris, Figuière. frs.10.-

1936

Agriculture

Canada. Dept. of Agriculture. Live Stock Br. Sixteenth Annual Market Review, 1935. 152p. maps. Ottawa, the Department.

Canada. Dominion Bureau of Statistics. Agric. Br. Live Stock and Animal Products Statistics, 1935. 99p. diagrs. 25c. Report on the Grain Trade of Canada, for the Crop Year ended July 31 and to the Close of Navigation 1935. 202p. maps. diagrs. 50c. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Dairy Br. Statistics of Dairy Factories, 1934. 104p. il. diagrs. Ottawa, King's Printer. 25c.

Canadian Grain Trade Year Book, 1935-36. v. XVI. 110p. diagrs. Winnipeg, Sanford Evans Statistical Service. $1.50.

The Canadian Wheat Pools on the Air. 2d. ser. 51p. Wheat Pool Organizations of Manitoba, Saskatchewan and Alberta.

Fairfield, W. H., and Rasmussen, K. Lamb Feeding in Southern Alberta with a supplement on the Utilization of the Forest Reserve for Summer Sheep Pasture. 52p. il. diagrs. Ottawa, Dept. of Agriculture.

Hopkins, E. S., and Ripley, P. O. Silage Production. 79p. il. diagrs. Ottawa, Dept. of Agriculture.

MacEwan, J. W. G. and Ewen, A. H. The Science and Practice of Canadian Animal Husbandry. 462p. il. Toronto, Nelson. $3.50

Murchie, Robert Welch, 1883—, Allen, William, 1892—, and others. Agricultural Progress on the Prairie Frontier. (Canadian Frontiers of Settlement, ed. by W. A. Mackintosh and W. L. G. Joerg, v.5). xii, 344p. il. maps, diagrs. Toronto, Macmillan. $4.50.

Newman, Leonard Harold, 1881—, Fraser, J. G. C. and Whiteside, A. G. O. Handbook of Canadian Spring Wheat Varieties. 51p. il. diagrs. Ottawa, Dept. of Agriculture.

Palmer, A. E. Use of Irrigation Water on Farm Crops. 51p. il. diagrs. Ottawa, Dept. of Agriculture.

Patterson, Cecil Frederick, 1892—. Hardy Fruits, with Special Reference to their Culture in Western Canada. 321, xvi p. pl. Saskatoon, Sask., the Author, 1115 Elliott St. $3.65.

Shoemaker, J. S. House Plants. (Univ. of Alberta. Coll. of Agriculture. Bul. 26). 71p. il. Edmonton, the University.

Art and Music

Abell, Walter Halsey, 1897—. Representation and Form; a study of aesthetic values in representational art; introd. by Arthur Pope. xviii, 172p. pl. diagrs. N.Y. Scribner's. $3.

Jaycocks, T. G. (Jay, *pseud.*). Camera Conversations; with a foreword by B. K. Sandwell. xvi, 299p. il. ports. Toronto, Macmillan. $2.50; original price $5.

Macmillan, *Mrs.* Marion Thayer. Reflections. 82p. pl. Toronto, McLeod. $5.50.

Rennie, W. A. and Smith, Miriam E. Students' Workbook in Music Appreciation. iv, 63p. pl. Toronto, Clarke, Irwin. 35c.

Yearbook of the Arts in Canada, 1936; ed. by Bertram Brooker. xxviii, 256p. il. port. Toronto, Macmillan. $5.

Bibliography and Librarianship

Campbell, Catherine, and Welling, Beatrice Winifred. Library Science for Canadians. 151p. il. Toronto, Pitman. $1.50.

Canada. Dept. of Public Printing and Stationery. Division of Documents. Catalogue of Official Publications of the Parliament and Government of Canada, June, 1936. 110p. Ottawa, King's Printer.

Canada. Parliament. Library. Annual Supplement to the Catalogue of the Library of Parliament; classified list of all books and pamphlets added to the library from Jan. 1st to Dec. 31st, 1935. ix, 193p. 25cm. Ottawa, King's Printer.

McKim, A. Limited. McKim's Directory of Canadian Publications, 29th ed., 1936. Montreal, McKim. $3.

Nova Scotian Institute of Science, Halifax. A catalogue of scientific periodicals in libraries of the Maritime Provinces; prepared by Ernest Hess; pub. by the Nova Scotian Institute of Science, with the assistance of the National Research Council of Canada. 82p. Halifax, Imperial Pub. Co. $2.

Prince Edward Island Libraries. The Carnegie library demonstration in Prince Edward Island, Canada, 1933-1936. 52p. pl. map. Charlottetown, P.E.I. Libraries.

Biography

Aberdeen and Temair, Ishbel Maria (Marjoribanks) Gordon, marchioness of, 1857—. The Musings of a Scottish Granny. 208p. front. pl. ports. London, Heath Cranton. 6/.

Aberdein, Jennie W. John Galt. xxiv, 209p. ports. London, Oxford. 8/6.

Acland, Eric, and Bartlett, Ernest H. Long Live the King; George V—King and Emperor; Prince and Sovereign—Edward VIII. 375p. front. pl. ports. Toronto, Winston. $2.

Birch, John Joseph, 1894—. The Saint of the Wilderness; St. Isaac Jogues, S.J.; with a foreword by John J. Wynne. xxii, 236p. N.Y. Benziger. $2.

Blauveldt, Robert Brooks, 1894—, *ed.* Leaders of Nova Scotia, 1936; a "Who's Who" of the political, professional, commercial and moral leaders of the province. 82p. ports. Yarmouth, N.S., Loyalist Press. $5.

Buchanan, Donald W. James Wilson Morrice; a biography. viii, 187p. pl. port. Toronto, Ryerson. $4.

The Canadian Parliamentary Guide: ed. by Major A. L. Normandin. 711p. front. Hull, Que., Labour Exchange. $4.

The Canadian Who's Who, founded 1910, with which is incorporated "Canadian Men and Women of the Time"; a handbook of Canadian biography of living characters, ed. by Sir Charles G. D. Roberts and Arthur Leonard Tunnell. v.11, 1936-1937. xxx, 1254p. Toronto, Trans-Canada Press. $15.

Collins, *Mrs.* **Alice Helen (Roger).** Real People, Pen Pictures; v.5, containing sketches nos. IX and X, Harry M. Field, "The Gliddons". 78p. pl. ports. Walkerton, Ont., the Author, Bank of Montreal.

Cushing, Harvey Williams, 1869—. From a Surgeon's Journal, 1915-1918. xxi, 534p. il. maps. Toronto, McClelland & Stewart. $5.

Griffin, Frederick. Variety Show; twenty years of watching the news parade. xiv, 359p. Toronto, Macmillan. $3.

Harvey, Robert, 1884—. Ignatius Loyola; a general in the Church Militant. xxii, 273p. front. pl. ports. Milwaukee, Bruce Pub. Co. $2.25.

Husted, William Hardee. "Bott"; the story of a schoolmaster. xii, 307p. il. N.Y. Coward-McCann. $3.

Lydekker, John Wolfe. The Life and Letters of Charles Inglis; his ministry in America and consecration as first Colonial Bishop, from 1759-1787. xvi, 272p. London, Society for Promoting Christian Knowledge. 12/6.

Macdonald, Frederick Charles, d. 1936. Edward Ashurst Welch, M.A., D.C.L., LL.D., of Gateshead, Toronto, Wakefield and South Church; a memoir. 93p., for sale Toronto, General Board of Religious Education. $1.50.

McEwen, Jessie Evelyn. Short Stories of Great Lives. 228p. il. Toronto, Nelson. $1.

MacGillivray, C. J. Timothy Hierlihy and his Times; the story of the founder of Antigonish, N.S. xv, 157p. Antigonish, N.S., Casket Print. 1936?

MacKinnon, Clarence D., 1868—. The Life of Principal Oliver. vii, 162p. front. Toronto, Ryerson. $1.50.

Magrath, Charles Alexander, 1860—. The Galts, Father and Son, Pioneers in the Development of Southern Alberta; and How Alberta grew up, brief outline of development in the Lethbridge district. 64p. il. ports. map. Lethbridge Herald.

Manion, Robert James, 1881—. Life is an Adventure. vi, 360p. front. Toronto, Ryerson. $3.50.

Ross, Hugh R. Thirty-Five Years in the Limelight, Sir Rodmond P. Roblin and his Times; foreword by Rt. Hon. Arthur Meighen, summary by Colonel Garnet C. Porter. xi, 205p. pl. ports. facsims. Winnipeg, Farmer's Advocate. $2.

Russell, George Stanley, 1883—. The Road Behind Me. 287p. Toronto, Macmillan. $2.75.

Sargent, Daniel, 1890—. Catherine Tekakwitha. viii, 246p. Toronto, Longmans. $2.50.

Stevenson, Arthur Lionel, 1902—. The Wild Irish Girl; the life of Sydney Owenson, Lady Morgan (1776-1859). 330p. port. London, Chapman & Hall. 15/.

Zolotoohin, Serge, d. 1937. Sentenced to Adventure; an autobiography by Serge Zolo. 284p. port. London, Harrap. 8/6.

Business, Finance and Trade

Annual Financial Review, The. Canadian, July 1936; a carefully revised *précis* of facts regarding Canadian Securities, comp. by W. R. Houston; v. XXXVI. 1200p. Toronto, Houston's Standard Publications. $15.

Canada. Dept. of Insurance. Report of the Superintendent of Insurance of the Dominion of Canada for the year ended December 31, 1935. v.1, Insurance Companies other than Life. cccxxvii, 1257p. $1.75. v.2, Life Insurance Companies. ccccxliii, 1014p. $1.25. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. External Trade Br. Trade of Canada, imports for consumption and exports, calendar year 1935. 510p. 50c. Trade of Canada, fiscal year ended March 31, 1935. 869p. $3. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Internal Trade Br. Prices and Price Indexes, 1913-1935. 25c. Prices and Price Indexes, 1913-1934. 50c. Ottawa, King's Printer.

Canadian Trade Index, 1936. 842p. Toronto, Can. Manufacturers' Assoc. $6.

Customs and Excise Officers Association. Montreal Branch. Historical brochure commemorating opening of new Customs and Excise building, Montreal, 1936; historian, William Henry Atherton. 156p. il. ports. plans. Montreal, the Association.

Ferguson, Walter Scott, and Crocombe, Frederick Richard. Elements of accounting. 268p. il. Toronto, Pitman. $2.50.

Financial Post Survey of Corporate Securities, 1936. 280p. Toronto, MacLean Pub. Co.

Handbook of the Canadian Customs Tariff and Excise Duties; comp. by Michael P. McGoldrick. Montreal, McMullin.

Haultain, Robert M. Getting the Most from Your Income. viii, 64p. Toronto, Stone & Cox. 75c.

Steinberg, Albert G. Banking and Exchange; 2d. ed. 300p. il. Toronto, Pitman. 75c.

Stone & Cox, Ltd. Life Insurance Tables. 325p. Toronto, Stone & Cox. $1.50; Fr. ed. $2.

United States. Tariff Commission. Concessions granted by the United States in the Trade Agreement with Canada; digests of trade data respecting the products affected by the concessions; supplementing the Tariff Commission's Report no. 111, second series, entitled "The trade Agreement with Canada". v, xi, 639p. Washington, Govt. Print Off.

United States. Tariff Commission. The Trade Agreement with Canada. (Report 111, 2d ser.) vii, 135p. Washington, Govt. Print. Off. 15c.

Vineberg, Philip F. The French Franc and the Gold Standard, 1926-1936; preface by Professor Stephen Leacock. (Guy Drummond Pubs.) 97p. Montreal, Witness Press. 55c.

Children's Books

Bennett, *Mrs.* **Ethel Hume (Patterson), 1881—.** A Treasure-Ship of old Quebec; illus. by Hazel Boswell. 266p. il. Toronto, Macmillan. $2.

Bonner, Mary Graham, 1890—. A World of Our Own. 119p. il. N.Y. Dutton. $1.50.

Boyton, Neil, 1884—. Redrobes. viii, 301p. map. N.Y. Benziger. $1.50.

Coleman, Herbert T. J., 1872—. Patricia Ann, The Story of a Doll; with illus. by Elsie Deane. 63p. front. il. Toronto, Dent. $1.25.

Conibear, Kenneth. North Land Footprints; or Lives on Little Bent Tree Lake. 339p. front. Toronto, Macmillan. $2.50.

Cory, Harper, 1893—. Lovable Beasts; illus. by W. Neave Parker. 140p. il. Toronto, Nelson. 75c.

Curtis, *Mrs.* **Alice (Turner).** A Little Maid of Quebec. 224p. front. Philadelphia, Penn Pub. Co. $1.50.

Denison, *Mrs.* **Muriel (Goggin).** Susannah; a Little Girl with the Mounties; illus. by Marguerite Bryan. ix, 299p. front. il. pl. N.Y. Dodd, Mead. $2.25.

Holland, Rupert Sargent. The Sea Scouts of Birchbark Island; illus. by Walter Pyle. 302p. Philadelphia, Lippincott. $2.

McMurray, DeVon. A Hoosier Schoolboy on Hudson Bay. xii, 122p. port. il. Boston, Little, Brown. $1.25.

Roberts, Sir Charles George Douglas, 1860—. Further Animal Stories. (King's Treasuries of Lit.) 128p. London, Dent. 1/.

Wallace, Archer, 1884—. Deeds of Daring. 97p. front. il. Toronto, Ryerson. $1.

Education

Cameron, Maxwell A., 1907—. The Financing of Education in Ontario. 175p. map, diagrs. Univ. of Toronto Press. $1.

Canada. Dominion Bureau of Statistics. Education Statistics Branch. Annual Survey of Education in Canada, 1934. lxxx, 138p. Ottawa, King's Printer.

Fletcher, Basil Alais. Education and Colonial Development. viii, 151p. London, Methuen. 5/-.

Langford, Howard David, 1896—. Education and the Social Conflict. (Kappa Delta Pi Research Pubs.) xxx, 210p. N.Y. Macmillan. $1.75.

Long, John Alexander, 1891—. Conducting and Reporting Research in Education. vi, 77p. diagrs. Univ. of Toronto Press. 50c.

Ontario. Dept. of Education. Schools and teachers in the Province of Ontario, elementary public and separate schools, November, 1936. 609p. 50c. Staffs of collegiate institutes, high, continuation, vocational, normal and normal-model schools, November, 1936. 168p. 25c. Toronto, King's Printer.

Ontario. Public and Separate School Inspectors. Training of Teachers-in-Service. 294, vii p. Toronto, Clarke, Irwin. $1.50

University of Toronto. St. George's School for Child Study. Outlines for parent education groups, pre-school learning. 77p. Univ. of Toronto Press. 75c.

University of Toronto. Victoria College. On the Old Ontario Strand Victoria's Hundred Years, addresses at the centenary of Victoria University and Burwash Memorial lectures of the centennial year. 176p. front. Toronto, Victoria Univ. $1.50.

Fiction

Amy, William Lacey (Luke Allan, *pseud.*). Case of the Open Drawer. 288p. London, Arrowsmith. 7/6.

Armstrong, Rinaldo William. Rivers Run to the Sea. 288p. Toronto, Ryerson. $2.

Baker, Amy J. (*Mrs.* **Maynard Crawford).** Laugh in the Sun. 288p. London, Long. 7/6.

Batten, Harry Mortimer, 1888—. Starlight. 241p. N.Y. Appleton-Century. $2.

Batten, Harry Mortimer, 1888—. Tameless and Swift; a book of animal stories. vii, 176p. front. il. London, Chambers. 3/6.

Baubie, William Edward. The Man Condemned; illus. by the author. xx, 350p. il. Boston, Stratford. $2.50.

Billett, Mabel Broughton, 1892—. The Smooth Silence. Toronto, Ryerson. $2.

Bird, William Richards, 1892—. Maid of the Marshes. 240p. Amherst, N.S., the Author. $2.

Bishop, Leslie G. Paper Kingdom. 278p. London, Heinemann. 7/6.

Blake, Norman. In the Grip of the Barren Lands; illus. by J. de Walton. 208p. Glasgow, Blackie. 2/.

Bonner, Mary Graham, 1890—. Rainbow at Night. 319p. Toronto, McLeod. $2.50.

Brooker, Bertram (Richard Surrey, Huxley Hearne, *pseuds.*), **1888—.** The Tangled Miracle, by Huxley Hearne. 300p. $2. Think of the Earth, by Bertram Brooker. 288p. $2. Toronto, Nelson.

Buchan, John, 1st baron Tweedsmuir, 1875—. Four Tales. 640p. Edinburgh, Blackwood. 5/.

Buchan, John, 1st baron Tweedsmuir, 1875—. The Island of Sheep. 318p. London, Hodder & Stoughton. 7/6.

Callaghan, Morley Edward, 1903—. Now That April's Here, and Other Stories. 316p. Toronto, Macmillan. $2.

Campbell, William. Arctic Patrols. 336p. il. maps. Milwaukee, Bruce. $2.

Chapman, Ethel. The Homesteaders. 252p. Toronto, Ryerson. $2.

Child, Philip Albert, 1898—. God's Sparrows. 319p. London, Butterworth. $2.

Cooper, Courtney Ryley, 1886—. Poor Man's Gold. 282p. Boston, Little Brown. $2.

Cunningham, Louis Arthur, 1900—. Fog Over Fundy. 303p. Toronto, Copp Clark. $2.25.

De la Roche, Mazo, 1885—. Whiteoak Harvest. vi. 329p. Toronto, Macmillan. $2.

Dix, Maurice Buxton. Emily Coulton Dies. 286p. 7/6. The Treasure of Scarland. 256p. 3/6. London, Ward Lock.

Douglas, Lloyd Cassel, 1877—. White Banners. 400p. Toronto, Allen. $2.50.

Douthwaite, Louis Charles, 1878—. Yukon Patrol. 217p. London, Blackie. 3/6.

Duffield, Anne. Paradise. 378p. London, Cassell. 7/6.

Erskine, Laurie York, 1894—. Renfrew in the Valley, illus. by Hanson Booth. xi, 253p. map. N.Y. Appleton-Century. $2.

Gordon, Charles William (Ralph Connor, *pseud.*), 1860-1937. The Gay Crusader. 376p. Toronto, McClelland & Stewart. $2.25.

Grey Owl, "Washaquonasin," 1888-1938. Tales of an Empty Cabin. xvi, 335p. front. pl. ports. Toronto, Macmillan. $3.

Hendryx, James Beardsley, 1880—. Grubstake Gold. viii, 300p. Toronto, Doubleday. $2.

Herapath, Theodora, 1889—. (Anne Capelle, *pseud.*). The Might-Have-Beens. 288p. London, Melrose. 7/6.

Johnston, Maysie F. Beauty Not Complete. 350p. Toronto, Nelson. $2.

Kelly, Judith. It Won't be Flowers. 272p. N.Y. Harper. $2.

Knight, George Wilson, 1897—. Atlantic Crossing, an autobiographical design. ix, 337p. port. Toronto, Dent. $2.75.

Laing, Nora. Desert Ships. 288p. London, Skeffington. 7/6.

McCulloch, John Herries. Ten Day Trail. 301p. Edinburgh, Moray Press. 7/6.

Marchant, Bessie (*Mrs.* J. A. Comfort). Anna of the Tenterford, illus. by Francis E. Hiley. 256p. London, Blackie. 5/-.

Marsh, George. The River of Skulls, with a frontispiece by F. E. Schoonover. 311p. Toronto, Copp Clark. $2.25.

Meader, Stephen Warren, 1898—. Trap-Lines North; The True Story of the Canadian Woods. xviii. 268p. il. pl. ports. N.Y. Dodd, Mead. $2.

Middleton, Jesse Edgar, 1872—. The Clever Ones. 296p. Toronto, Nelson. $2.

Montgomery, *Mrs.* Lucy Maud (MacDonald) 1874—. Anne of Windy Poplars. 301p. Toronto, McClelland & Stewart. $2.

Montgomery, Rutherford George, 1896—. Carcajou, illus. by L. D. Cram. xviii, 263p. Caldwell, Id. Caxton Printers. $2.

Morley, Frank Vigor, 1899—. Wreck of the Arctic; a story of adventure. 9-347p. map. Boston, Houghton. $2.

Morton, Guy Eugene. Burleigh Murders. 288p. London, Skeffington. 7/6.

Morton, Guy Eugene. Mystery at Hardacres. 288p. London, Skeffington. 7/6.

Mowery, William Byron. 1899—. Outlaw Trail. 284p. London, Methuen. **7/6.**

Mowery, William Byron, 1899—. Paradise Trail. 273p. Toronto, McClelland & Stewart. $2.25.

Niven, Frederick John, 1878—. Old Soldier. 250p. Toronto, Collins. $2.

Northern Trails Omnibus; three complete novels of adventure in the Northwest; Law of the North, by Samuel Alexander White; Benton of the Royal Mounted, by Ralph S. Kendall; The Luck of the Mounted, by Ralph S. Kendall. 332; 318; 312p. N.Y. Grosset & Dunlap. $1.

O'Brien, John S., 1898—. Corporal Corey of the Royal Canadian Mounted; illus. by Kurt Weise. ix, 276p. front. il. Philadelphia, Winston. $2.

Pollock, Francis, 1876—. Jupiter Eight. 286p. Toronto, Nelson. $2.

Rea, Ella M. Castaways of the Yukon. 298p. port. Boston, Meador. $2.

Roberts, Kenneth Lewis, 1885—. Arundel; a Chronicle of the Province of Maine and of the Secret Expedition Against Quebec. 536p. London, Lane. 8/6.

Safford, Henry Barnard, 1883—. Mr. Madison's War. 317p. N.Y. Messner. $2.

Selected Short Stories; a collection of notable short stories by Canadian writers first published in the Canadian magazine. 235p. Toronto, Hugh C. MacLean Pubs.

Sinclair, Bertrand William, 1878—. Down the Dark Alley. vi. 291p. Toronto, McClelland & Stewart. $2.25.

Steinhauer, Henry, 1905—, *ed.* Die Deutsche Novelle, 1880-1933 (Gateway Books). xxv. 295p. N.Y., W. W. Norton. $1.25.

Stringer, Arthur John Arbuthnott, 1874—. Prairie Stories; containing The Prairie Wife; The Prairie Mother; The Prairie Child. 1057p. N.Y. Burt. $1.

Stringer, Arthur John Arbuthnott, 1874—. Tooloona, A Novel of the North. 248p. London, Methuen. 7/6.

Stringer, Arthur John Arbuthnott, 1874—. The Wife Traders: A Tale of the North. 319p. Toronto, McClelland & Stewart. $2.25.

Sullivan, Alan (Sinclair Murray, *pseud.*) 1868—. Money Spinners. v, 378p. London, Low. 7/6.

Thomas, Martha Banning. Stormalong Gert. 318p. Toronto, McLeod. $2.25.

Thornton, Willis. The Country Doctor. (A story based on the 20th Century-Fox photoplay); with pictures of the Dionne quintuplets. 131p. front. il. ports. map. N.Y. Grosset & Dunlap. $1.

Wees, *Mrs.* Frances Shelley, 1902—. It Began in Eden. 285p. Philadelphia, Macrae Smith. $2.

Wees, *Mrs.* Frances Shelley, 1902—. Untravelled World. 375p. London, Eyre. 7/6.

White, Samuel Alexander, 1884—. Man Scent; *new ed.* 286p. Toronto, Copp Clark. $1.25.

Grammar and Textbooks

Bonney, George Alexander, and Niddrie, John George, *eds.* Latin Prose and Poetry. xiii, 275, 91p. Montreal, Ginn. $1.25.

Breslove, David, and Dale, Ernest A., *eds.* First Latin Lessons. 447p. Toronto, Copp Clark. $1.

MacDonald, John Allan. Introduction to French. xii, 529p. Toronto, Gage. $1.60.

History

Armstrong, Nevill Alexander Drummond. Yukon Yesterdays; thirty years of adventure in the Klondike. 54 illus. and 2 maps. 287p. port. pl. map. London, Long. 18/.

Brebner, John Bartlet, 1895—. Die Erforscher von Nordamerika. 338p. Leipzig, Wilhelm Goldmann Verlag. M.7.50.

Buchan, John, 1st baron Tweedsmuir, 1875—. Episodes of the Great War. 415p. front. ports. maps. Edinburgh, Nelson. 8/6.

Bull, William Perkins, 1870—. From the Boyne to Brampton; or, John the Orangeman at Home and Abroad. 365p. front. il. pl. ports. map, facsims. music. Toronto, Perkins Bull Foundation. De luxe ed. $10; library ed. $5; paper $3.

Campbell, Sara L. Brooke Township History, 1833-1933, pub. by the Brooke Women's Institute. 171p. il. map, plan. Alvinston, Ont., the Author. $1.50.

Canadian Historical Association. Report of the Annual Meeting held at Ottawa, May 26-27, 1936, with historical papers. 132p. maps, diagr. Univ. of Toronto Press.

Champlain, Samuel de, 1567-1635. The Works of Samuel de Champlain, in six volumes; reprinted, tr. and annotated by six Canadian scholars under the general editorship of H. P. Biggar; v.6, 1629-1632, tr. by the late W. D. LeSueur and H. H. Langton, the French texts collated by J. Home Cameron; with a portfolio of plates and maps and an index to the six volumes. xvi, 430, xii p. pl. map. Univ. of Toronto Library.

Collins, Ross William, 1892—. A History of Medieval Civilization in Europe. ix, 800p. il. maps. Boston, Ginn. $3.50.

Corrigall, David James. The History of the Twentieth Canadian Battalion (Central Ontario Regiment) Canadian Expeditionary Force in the Great War, 1914-1918. xvii, 268p. il. pl. ports. maps. Toronto, Stone & Cox, for the Trustees. $3.

Cruikshank, Ernest Alexander, 1854—. The Political Adventures of John Henry; the record of an international imbroglio. 206p. facsims. Toronto, Macmillan. $3.50.

Drygalski, Erich von, 1865—, *ed.* Amerikanische Landschaft; Entstehung und Entwicklung in Einzelbildern. Ozarkland, von Rudolf Schottenloher; Kanadische Prärie, von Max Eichmeier; Florida, von Peter Berger; Jamaica, von A. Wilhelm Küchler; Seattle, von Homer L. Seeger. viii, 532p. front. il. pl. maps, plans, diagrs. Berlin, W. de Gruyter. RM 26.

Ferguson, Wallace Klippert, 1902—, and Bruun, Arthur Geoffrey, 1898—. A Survey of European Civilization; pt. 1, To 1660, by Wallace K. Ferguson; pt. 2, Since 1660, by Geoffrey Bruun; under the editorial supervision of Carl L. Becker. xxxiv, 1024, xciii p. front. il. ports. maps, plans, diagr. N.Y. Houghton Mifflin. $4.50.

Fetherstonhaugh, Robert Collier, 1892—. The Royal Canadian Regiment, 1883-1933. 468p. front. pl. ports. maps. Montreal, Gazette Print. Co. $6.

First Things in Acadia; the Birthplace of a Continent. 304p. Halifax, First Things Pubs. $2.50; imitation lea. $4; lea. $5.

Flenley, Ralph, 1886—. Modern History. 400p. il. Toronto, Dent. $2.50.

Flenley, Ralph, 1886—, and Weech, William Nassau, 1878—. World History; The Growth of Western Civilization. xix, 757p. front. il. pl. ports. maps, plans, facsims. Toronto, Dent. $3.

Harvey, Daniel Cobb, 1886—. The Colonization of Canada. ix, 154p. maps. Toronto, Clarke Irwin. $1.25.

Hermannsson, Halldór, 1878—. The Problem of Wineland. (Islandica, an annual relating to Iceland and the Fiske Icelandic Collection in Cornell Univ. Library, v.XXV). 86p. map. Ithaca, N.Y., Cornell Univ. Press. $1.

Kreutzweiser, Erwin E. The Red River Insurrection; Its Causes and Events. ix, 166p. Gardenvale, Que., Garden City Press. $1.50.

Lower, Arthur Reginald Marsden, 1889—. Settlement and the Forest Frontier in Eastern Canada, by A. R. M. Lower; Settlement and the Mining Frontier, by Harold A. Innis. (Canadian Frontiers of Settlement, ed. by W. A. Mackintosh and W. L. G. Joerg, v.9). xiv, 424p. il. maps, diagr. Toronto, Macmillan. $4.50.

MacKay, Douglas, 1900—. The Honourable Company; A History of the Hudson's Bay Company; maps by R. H. H. Macaulay. 396p. front. pl. ports. maps. Toronto, McClelland & Stewart. $4.

Marquis, Thomas Guthrie, 1864-1936. Stories from Canadian History. 157p. front. pl. ports. Toronto, Copp Clark.

Metzger, Charles Henry, 1890—. The Quebec Act; A Primary Cause of the American Revolution. x, 223p. N.Y. United States Catholic Hist. Soc.

Mullins, Janet E. Liverpool Privateering 1756-1815; ed. arranged and printed under the direction of Fred S. Morton. 68p. Liverpool, N.S., Queens Co. Hist. Soc. $2.

Murray, William Waldie, 1892—, *ed.* The Epic of Vimy. 224p. Ottawa, Legionary Library. $2.50.

Nova Scotia Historical Society. Collections, v.23. xviii, 135p. Halifax, the Society.

Noyes, Frederick Walter. Stretcher Bearers—At the Double! History of the Fifth Canadian Field Ambulance, 1914-1918. 328p. front. il. pl. ports. maps, music. Toronto, J. Henderson, 307 Wychwood Ave. $4.

Okanagan Historical Society. Sixth Report, 1935. 309p. ports. diagr. Vancouver, Wrigley.

Pargellis, Stanley McCrory, *ed.* Military Affairs in North America, 1748-1765; selected documents from the Cumberland papers in Windsor castle. (American Hist. Assoc.) xxxi, 514p. maps, plans. N.Y. Appleton-Century. $8.

Pease, Theodore Calvin, 1887—, *ed.* Anglo-French Boundary Disputes in the West, 1749-1763. clxxiii, 607p. maps, facsim. Springfield, Illinois State Hist. Library. $2.50.

Russell, Peter, 1733-1808. The correspondence of the Honourable Peter Russell with allied documents relating to his Administration of the Government of Upper Canada during the official term of Lieut. Governor J. G. Simcoe while on leave of absence. v.III, 1798-1799; collected and ed. for the Ontario Historical Society by Brig. Gen. E. A. Cruickshank and A. F. Hunter. xxx, 323p. Toronto, the Society.

St. Andrew's Society, Toronto. One Hundred Years of History, 1836-1936; the Hundredth Annual Report from November 30, 1935, to November 30, 1936, also constitution and list of officers and members. xx, 154p. front. pl. ports. Toronto, Murray Print. Co.

Schott, Carl von. Landnahme und Kolonisation in Canada am Beispiel Südontarios; mit 59 Figuren im Text und 55 Abbildungen auf Kunstdrucktafeln. (Schriften des Geographischen Instituts der Universität Kiel, Herausgegeben von O. Schmeidler, H. Wenzel und H. Wilhelmy, Band VI). xvi, 330p. il. maps. Kiel, Schmidt & Klaunig.

Snelling, William Joseph, 1804-1848. Tales of the Northwest; with an introd. by John T. Flanagan. xxix, 254p. Minneapolis, Univ. of Minnesota Press. ltd. ed. $3.50.

Stacey, Charles Perry. Canada and the British Army, 1846-1871; a study in the practice of responsible government. (Royal empire Soc. Imperial Studies, 11). xiv, 287p. Toronto, Longmans. $3.50.

Stanley, George Francis Gilman. The Birth of Western Canada; a history of the Riel rebellions. xiv, 475p. front. pl. ports. maps, plan. Toronto, Longmans. $5.50.

Stefánsson, Vilhjálmur, 1879—. Adventures in Error. viii, 299p. N.Y. McBride. $3.

Taylor, Griffith. Environment and Nation; geographical factors in the cultural and political history of Europe. 571p. front. maps, diagrs. Univ. of Toronto Press. $4.

Tucker, Gilbert Norman. The Canadian Commercial Revolution, 1845-1851. (Yale Hist. Pubs. Studies, no.9). xi, 258p. pl. map. New Haven, Yale Univ. Press. $3.

Indians and Eskimos

Birket-Smith, Kaj, 1893—. The Eskimos; tr. from the Danish by W. E. Calvert; the translation rev. by Professor C. Daryll Forde, with a foreword by Diamond Jenness. xiv, 250p. front. pl. N.Y. Dutton. $5.

Osgood, Cornelius Berrien, 1905—. Contributions to the Ethnography of the Kutchin. 189p. il. pl. port. map. New Haven, Yale Univ. Press. $2.50.

Webber, William Lester, 1882—. The Thunderbird Legends. 58p. pl. Vancouver, the Author, 856 Granville St. 75c; cloth $1.50.

Wintemberg, William John, 1876—. Roebuck Prehistoric Village Site, Grenville County, Ont. (Canada. National Museum). 178p. il. pl. plans. Ottawa, King's Printer. 50c.

Industries (not including Agriculture and Mining)

Biggar, P. E. Diesel Engines. 165p. diagrs. Toronto, Macmillan. $2.

Canada. Dominion Bureau of Statistics. Census of Manufactures. The manufacturing industries of Canada, 1933; summary report. 127p. Ottawa, King's Printer. 25c.

Canada. Dominion Bureau of Statistics. Fisheries Statistics Branch. Fisheries Statistics of Canada, 1935. 285p. pl. map. Ottawa, King's Printer. 35c.

Canada. Dominion Bureau of Statistics. Forestry Br. Census of Industry; wood-using industries in Canada, 1933. 143p. 25c. The pulp and paper industry, 1934. 121p. diagrs. 25c. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Fur Statistics Br. Report on the Fur Farms of Canada, 1934. 169p. pl. diagrs. Ottawa, King's Printer. 25c.

Canada. Dominion Bureau of Statistics. General Manufactures Br. Census of Industry; food products, beverages, rubber, tobacco and miscellaneous manufactures based on vegetable products, 1928-33. 176p. Ottawa, King's Printer. 50c.

Coote, James A. A Graphical Survey of the Canadian Textile Industries. 248p. diagrs. Montreal, McGill Univ. $1.50.

Everson, Iva G. Practical Sewing. 91p. il. Toronto, Ryerson. 50c.

Harrison, John Darley Braithwaite, 1896—. Forests and Forest Industries of the Prairie Provinces. (Canada. Dept. of the Interior. Forest Service. Bul. 88). 69p. il. maps, diagrs. Ottawa, King's Printer.

International Joint Commission (United States and Canada) 1909—. The Kootenay Valley; a report on certain cases involving reclamation and the development of water power in the valley of the Kootenay River. Ottawa and Washington, 1935. 374p. maps, diagr. Ottawa, King's Printer.

Manual of the Textile Industry of Canada, 1936, and Directory. 154p. Montreal, Can. Textile Journal Pub. Co. $1.

National Directory of the Canadian Pulp and Paper Industries, 1937. Gardenvale, Que. National Business Pubs. $3.

Pulp and Paper Engineering Catalogue of Canada, 1937. Gardenvale, Que. National Business Pubs.

Withrow, Oswald Charles Joseph, 1878—. The Romance of the Canadian National Exhibition. 157p. front. il. ports. facsims. diagrs. Toronto, Saunders. $1.

Law

Assurance Editions, reg'd. Quebec Insurance Act, Trust Companies Act and other Acts Relating to Insurance. 169p. Quebec, le Soleil.

Brown, James L. Industrial Property Protection in Canada. (U.S. Bureau of Foreign and Domestic Commerce. Division of Commercial Laws, Special Circular, 569). ii, 65p. Washington, Govt. Print. Off. 10c.

Canada. Dominion Bureau of Statistics. Judicial Statistics Br. Fifty-Ninth Annual Report of Statistics of Criminal and Other Offences for the Year ended Sept. 30, 1934. xviii, 174p. Ottawa, King's Printer. 50c.

The Canadian Abridgement; a digest of decisions of the Provincial and Dominion Courts, including appeals therefrom to the Privy Council, but excluding decisions based on the Quebec Civil Code. v.4-7. Toronto, Burroughs.

The Canadian Law List (Hardy's), 1936; Henry Cartwright, ed. 531, 16p. maps. Toronto, Can. Law List Pub. Co. $5.

Cartwright, Henry Lennox, 1905—. The Ontario Statute Citator, 1936. 399p. Toronto, Can. Law List Pub. Co. $7.50.

Daly, Thomas Mayne, 1852-1911, *comp.* Daly's Canadian Criminal Procedure and Practice before Magistrates. 3d ed. by A. E. Popple; originally comp. by the Hon. T. Mayne Daly. xlviii, 879p. Toronto, Carswell. buck. $10.50; lea. $11.

Davie, Cyril Francis, 1882—. Common Law and Statutory Amendment in Relation to Contributory Negligence in Canada. illus. by the leading decisions. xv, 294p. Toronto, Carswell. $6.

Laverty, Francis Joseph. The Insurance Law of Canada. liii. 879p. Toronto, Carswell. $18.

Ontario. Laws, Statutes, etc. The Municipal Act. v, 339p. Toronto, King's Printer.

Quebec. Laws, Statutes, etc. Civil code of Lower Canada, with the amendments effected by Imperial, Federal and Provincial Legislation, up to and including the Fourth Session of the Eighteenth Legislature of the Province of Quebec, 25-26 George V, 1935, also the Federal Bills of Exchange Act as amended to date, by E. Howard Cliff. xxiv, 785p. Montreal, Wilson & Lafleur. $7.50.

Quebec. Laws, Statutes, etc. Life Insurance Laws of Quebec, with annotations. Toronto, Stone & Cox. 50c; with binder 65c.

Sims, Harvey James, 1871—. The Uniform Insurance Act. 100p. Toronto, Life Underwriters' Assoc., 159 Bay St. $1.

Steele, Harwood Elmes Robert, 1897—. Policing the Arctic; the story of the conquest of the Arctic by the Royal Canadian (formerly North-West) Mounted Police. 390p. front. pl. ports. map, facsims. Toronto, Ryerson. $3.50.

Versailles, Maurice, 1895—. Report on the Codification of Quebec Life Insurance Law. xi, 151p. Montreal, Wilson & Lafleur. $10.

Wrinch, Leonard G. Index of Canadian Cases Judicially Noted; being a list of Canadian and English cases dealt with in judgments reported in Canadian reports from 1929 to 1936, together with a statement of the manner in which each case is judicially noted. v.2. Toronto, Carswell. $12.50.

Literature—Essays, Addresses, Etc.

Anstensen, Ansten, 1899—. The Proverb in Ibsen; proverbial sayings and citations as elements in his style. xi, 255p. N.Y. Columbia Univ. Press. $3.50.

Arnold, Matthew, 1822-1888. Representative Essays; ed. with an introd. by E. K. Brown. xlii, 240p. Toronto, Macmillan. $1.15.

Bennet, C. L. and Pierce, Lorne Albert, 1890—. Canada Books of Prose and Verse, bk. VI. 625p. Toronto, Ryerson. $1.75.

Bremner, Benjamin, 1851—. Tales of Abegweit. 146p. pl. Charlottetown, Irwin Print. Co. $1.50; bd. $2.25.

Canadian Club of Toronto. Addresses. v.XXXIII, season of 1935-36. 439p. Toronto, Warwick Bros. & Rutter, for members only.

Clark, Gregory. Which we Did; with illus. by James Frise. 221p. il. Toronto, Saunders. $2.

Collin, William Edwin, 1893—. The White Savannahs. 288p. Toronto, Macmillan. $2.50.

Deacon, William Arthur, 1890—, and Turner, Stanley. A Literary Map of Canada. Toronto, Macmillan. $2.50.

Dehan, Aiken A. Washing the Hands. il. Toronto, McClelland & Stewart. $1.

Empire Club of Canada, Toronto. Addresses, 1935-1936, thirty-third year of issue. 439p. port. Toronto, the Club. $1.

Galt, John, 1779-1839. Works; ed. by D. S. Meldrum and William Roughead. 10v. Edinburgh, John Grant. 42/.

Hugill, William Meredith. Panhellenism in Aristophanes. viii, 106p. Univ. of Chicago Press. $1.50.

Kemp, Alice Bowdoin, 1897—, *ed.* Three Autos Sacramentales of 1590: La Degollaciõn de sant Jhoan; El Rrescate del Alma; Los Amores del Alma con el Prinçipe de la Luz; *ed.* with introd. and notes by Alice Bowdoin Kemp. 134p. facsims. Univ. of Toronto Press. $1.

Kirkwood, Kenneth Porter. Unfamiliar Lafcadio Hearn. xiii, 97p. pl. port. Tokyo, Hokuseido Press. 1.50 yen. Chicago, Argus. $1.

Lawrence, Margaret Isabel. The School of Femininity; a book for and about women as they are interpreted through feminine writers of yesterday and to-day. xii, 382p. front. ports. Toronto, Nelson. $3.75.

Leacock, Stephen Butler, 1869—. Funny Pieces; a book of random sketches. viii, 292p. Toronto, McClelland & Stewart. $2.

Leacock, Stephen Butler, 1869—. The Greatest Pages of American Humor. 293p. Toronto, Doubleday. $2.50.

Letters in Canada, 1935 (reprinted from *Univ. of Toronto quarterly*, v.5, no.3, Apr. 1936). 97p. Toronto, Univ. of Toronto Press.

McAndrew, William Allan Gordon, 1911—. Louis Hémon, His Life and Work. 255p. Paris, Jouve.

McClung, *Mrs.* Nellie Letitia (Mooney), 1873—. Leaves from Lantern Lane. 199p. Toronto, Allen. $1.

O'Hagan, Thomas, 1885—. What Shakespeare is not. ix. 115p. Toronto, the Author, 35 Grosvenor St. $2.

Roberton, Thomas Beattie, 1879-1936. T. B. R.—Newspaper Pieces. xv, 142p. port. Toronto, Macmillan. $1.

Roberts, Kenneth Lewis, 1885—. It Must be Your Tonsils; with pictures by Paul Galdone. 70p. il. Toronto, Doubleday. $1.

Snyder, Franklyn Bliss, 1884—. Robert Burns, His Personality, His Reputation and His Art. 119p. Univ. of Toronto Press. $1.50.

Stanley, Carleton Wellesley, 1886—. The Roots of the Tree. 107p. Toronto, Oxford. $1.50.

Wetmore, Jessie Helen Louise. Seneca's Conception of the Stoic Sage as Shown in His Prose Works. 66p. Edmonton, Univ. of Alberta Printing Press.

Medicine

Dafoe, Allan Roy, 1883—. Dr. Dafoe's Guide Book for Mothers. 246p. il. Toronto, Smithers & Bonellie. $1.50.

Eschambault, Antoine d', 1896—. Eugenical Sterilization. 150p. Winnipeg, Canadian Pubs. $1.25.

Gray, Sir Henry M. W. The Colon as a Health Regulator—from a surgeon's point of view. xix, 100p. il. diagrs. Toronto. Macmillan. $2.50.

Kiriline, Louise de. The Quintuplets' First Year; foreword by Dr. Allan Roy Dafoe. 221p. il. Toronto, Macmillan. $1.50.

McGill University, Montreal. Neurological Biographies and Addresses; foundation volume published for the staff, to commemorate the opening of the Montreal Neurological Institute of McGill Univ. viii, 178p. front. pl. ports. London, Oxford. 12/6.

Tidmarsh, Clarence Johnson, 1894—. Chronic Indigestion; a layman's handbook. xiii, 143p. il. Toronto, Longmans. $1.50.

Tyrer, Alfred Henry. Sex, Marriage and Birth Control; a guide-book to a satisfactory sex life in marriage. xvi, 128p. il. Toronto, Macmillan. $1.50.

Mining and Metallurgy

Alberta. Royal Commission Respecting the Coal Industry. Report, 1935. 103p. Edmonton, King's Printer.

Canada. Dept. of Labour. Combines Investigation Act; investigation into an alleged combine in the importation and distribution of British anthracite coal in Canada; report of registrar, April 21, 1933. 170p. diagrs. Ottawa, King's Printer. 25c.

Canada. Dept of Mines. Mines Br. The Canadian Mineral Industry in 1935. 100p. diagrs. 25c. Investigations in Ore Dressing and Metallurgy July to Dec. 1934. 202p. pl. diagrs. and Jan. to June, 1935. 237p. pl. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Mining, Metallurgical and Chemical Br. Annual Report on the Mineral Production of Canada, 1934. 302p. 50c. Coal Statistics for Canada, 1935. 104p. diagr. maps. 25c. Manufactures of the Non-Ferrous Metals in Canada, 1933-1934. 94p. 25c. Ottawa, King's Printer.

Canadian Mines Handbook, 1936. 367p. Toronto, Northern Miner Press. $1.

The Canadian Mining Manual, 1936. Gardenvale, Que., National Business Pubs. $10.

Cockfield, William Egbert, 1890—. Lode Gold Deposits of Ymir-Nelson Area, British Columbia. 78p. maps, plans. Ottawa, King's Printer. 25c.

Crerar, Thomas Alexander, 1876—. The Future of Canadian Mining; a series of twelve radio addresses delivered over the national network of the Canadian Radio Commission, Jan. 31 to Apr. 24, 1936. vi, 83p. front. il. maps. Ottawa, King's Printer. 25c.

Cummins, Walter John Carnagie, 1869—. Amateur Prospecting. 88p. Calgary, A. J. Davis Print. Co. $1.

Freeman, Correll H. Natural Bonded Moulding Sands of Canada. (Canada. Dept. of Mines). vi, 144p. pl. maps. Ottawa, King's Printer. 25c.

Kindle, Edward Darwin, 1906—. Gold Occurrences of Ontario East of Lake Superior. vi, 167p. map. Ottawa, King's Printer. 50c.

Manitoba. Dept. of Mines. A Guide for Prospectors in Manitoba. viii, 109p. il. pl. maps, plans, diagrs. Winnipeg, King's Printer.

Nunn, Norman A. Nunn's Revised Annual of Mining Maps, 1936. 43 l. maps. Toronto, the Author, 33 Adelaide St. W. $1.

Ontario. Dept. of Mines. Ontario's Mines and Mineral Resources. 118p. il. maps, plans. Toronto, the Department. 25c.

Philosophy and Psychology

Gilson, Etienne Henry, 1884—. The Spirit of Medieval Philosophy, tr. by A. H. C. Downes. (Gifford Lectures, 1931-2). ix, 490p. N.Y. Scribner. $3.50.

MacLaurin, Donald Leslie, 1881—, and Ewing, John Morton, 1889—. Social and Educational Psychology; introd. by H. D. Southam. xii, 321p. il. diagrs. Toronto, Copp Clark. $1.75.

Potting, William F., 1885—. Astrological Arithmetic, Horary and Natal. 71p. diagrs. Toronto, the Author, 831 Pape Ave. $1. Free to libraries.

Poetry and Drama

Armstrong, Clara. "My Rosary of Friendships" and Other Poems. 31p. Montreal, Witness Press. 25c.

Baker, *Mrs.* Ida E., 1858—. By Lamplight. 50p. Toronto, the Author, 77 Alberta Ave.

Bevans, *Mrs.* Edith Florence (Jane Remington, *pseud.*) Where Pussywillows Dip and Other Verses. 32p. Toronto, the Author, 47 Lowther Ave. 60c.

Bozyk, Pantelemon, 1879—. Canadian Musa (muse). 192p. Yorkton, Sask., Redemptorist Fathers. 50c.

Brown, Jessie Findlay. Up Came the Moon; with introd. by the author of "Anne of Green Gables"; illus. by the author. 79p. port. il. Toronto, the Author, 43 Dewhurst Blvd. $1.

Burns, Malcolm, 1887—. Golden Gleams. 93p. port. Vancouver, the Author, 1711 E. 59th Ave. $1.25.

Canadian Authors' Association. Edmonton Branch. Alberta Poetry Year Book, 1936-37. 30p. Edmonton, Institute Press.

Canadian Authors' Association. Montreal Branch. Poetry Year Book, 1936. x, 45p. Montreal, the Association, 1126 Drummond St. 50c.

Canadian Authors' Association. Victoria and Islands Branch. Poetry Group. Victoria Chapbook, 1936. 29p. Victoria, the Association.

De la Roche, Mazo, 1885—. Whiteoaks; a play. 107p. London, Macmillan. 3/6.

Duncan, Nora M., 1881—. Down to the Sea. 35p. North Vancouver, North Shore Press. 75c.

Galloway, Andrew Strome Ayers, 1915—. The Yew Tree Ballad and Other Poems. 48p. port. Aylmer, Ont., Barnecott & Monteith. 50c.

Garrett, *Mrs.* **Florence Pearl, 1883—.** Memories; with a frontispiece of the author. 28p. port. Winnipeg, the Author, 61 Carlton St. 50c.

Garvin, John William, 1859-1935, *comp.* Cap and Bells; an anthology of light verse by Canadian poets; foreword by Lorne Pierce. 105p. Toronto, Ryerson. $2.

Harris, W. Eric. Such Harmony. 37p. Toronto, Samuel French (Canada). 35c.

Harris, W. Eric. Twenty-Five Cents; a play in one act. 32p. Toronto, Samuel French (Canada). 35c.

Homer. The Odyssey of Homer, trans. and abridged by Fred Heap. 140p. Winnipeg, De Montford Press.

Husband, *Mrs.* **S. Berthe, 1891—.** Altar Flowers. 32p. London, Ont., the Author, R.R.8. 75c.

Irvine, William, 1885—. You Can't do That: a play in three acts. 48p. Toronto, Nelson. 35c.

Kirkconnell, Watson, 1895—, *ed.* A Golden Treasury of Polish Lyrics. 128p. Winnipeg, Polish Press. $1.

Knight, George Wilson, 1897—. Principles of Shakespearian Production, with special reference to the tragedies. 246p. London, Faber and Faber. 10/6.

Knowles, A. Beatrice. The Saint; a play in one act. 33p. N.Y. French. 40c.

Lane, Wilmot Burkmar, 1872—. Quebec. 40p. Toronto, Macmillan. $1.50.

Larkin, Sarah, 1896—. The Trevals. 160p. Montreal, Renouf. $1.50.

Laurence, Frances Elsie Fry, 1893—. The Band Plays a March, lino cuts by Bessie A. Fry. 66p. il. Edson, Alta., the Author. $1.

Law, Margaret Lathrop, 1890—. Where Wings are Healed; songs of Nova Scotia. 48p. Philadelphia, Poetry Pubs. $1.50.

Leacock, Stephen Butler, 1869—. Hellements of Hickonomics in Hiccoughs of Verse Done in our Social Planning Mill. 84p. il. N.Y. Dodd, Mead. $1.50.

LeClaire, Gordon. Sonnets to the Stars and Other Poems. 76p. Boston, Meador. $1.

McMartin, L. E. (Pendragon, *pseud.***)** A Book of Verses Gay and Sombre. 66p. il. Toronto, Sovereign Press. $1.

Marquis, Thomas Guthrie, 1864-1936. The Cathedral and Other Poems; with a foreword by Sir Charles G. D. Roberts. x, 53p. port. Toronto, Musson. $1.

Moody, *Mrs.* **Irene Helen (Hawkins).** Attar of Song. 71p. Toronto, Macmillan, $2.

Morris, Melba, 1909—. On Wings of Thought. 38p. Owen Sound, Ont., the Author.

New Provinces; representative work of six of Canada's most interesting younger poets. 77p. Toronto, Macmillan. $1.50.

Pickthall, Marjorie Lowry Christie, 1883-1922. The complete poems; new ed. 279p. Toronto, McClelland & Stewart. $3.

Pollard, William Correll, 1878—. Poems. 35p. London, Stockwell.

Reynolds, Lois. Nellie McNabb. 26p. Toronto, Samuel French (Canada). 35c.

Reynolds, Lois. Summer Hotel; a play in one act. 28p. Chicago, T. S. Denison. 30c.

Roberts, Sir Charles George Douglas, 1860—. Selected Poems. 200p. front. Toronto, Ryerson. $2.

Roddick, Amy (Redpath), *lady.* I Travel to the Poets' Mart. Montreal, John Dougall.

Shakespeare, William, 1564-1616. Love's Labours Lost; ed. by A. E. Morgan and W. Sherard Vines; with introd. notes, essay on metre, glossary, etc. (Warwick Shakespeare). xxviii, 171p. London, Blackie. 2/6.

Shakespeare, William, 1564-1616. Richard II; ed. with introd. by W. S. Milne. (Ryerson Shakespeare). 138p. il. Toronto, Ryerson. 35c.

Shakespeare, William, 1564-1616. Romeo and Juliet; ed. with introd. by C. L. Bennet. (Ryerson Shakespeare). 133p. il. Toronto, Ryerson. 35c.

Thomson, Robert Burns, 1847-1922. The Poems of Robert Burns Thomson. xxiv, 387p. Winnipeg, Wallingford Press. $2.25.

Thorlakson, E. J. Pioneer Theatre Series; Book I, Marie Hébert; The King's Girls; Father Lacombe; Poet of the Plains. 36p. Edmonton, Institute of Applied Art.

Towriss, *Mrs.* **Louise Yates.** A house of Memories. 41p. port. Athens, Ont., Athens Reporter Presses. 50c.

Political Economy, Politics and Current Events

Buck, Tim, 1892?—. What We Propose. 79p. Toronto, Communist Party of Canada, 77 Adelaide St. W. 10c.

Canada. Dept. of Agriculture. Directory of co-operative associations in Canada, 1936. 75p. Ottawa, the Department.

Canada. Dept. of External Affairs. Documents relating to the Italo-Ethiopian conflict. 182p. Ottawa, King's Printer. 50c.

Canada. Dept. of Labour. Labour Legislation in Canada, 1935. xvi, 110p. 25c. Twenty-Fifth Annual Report on Labour Organization in Canada, 1935. 223p. diagrs. 50c. Wages and Hours of Labour in Canada, 1929, 1934 and 1935. 118p. Ottawa, King's Printer.

Canadian Institute on Economics and Politics. Canada, the Empire and the League; lectures given at the Canadian Institute on Economics and Politics, July 31st to August 14th, 1936. viii, 172p. Toronto, Nelson, for the National Council of Y.M.C.A.'s of Canada. $1.50.

Canadian Welfare Council. Britain's Social Aid and Ours; memoranda comp. by the executive director of the Canadian Welfare Council, from observation of the British social services 1934-6. (Pub. 83). 56p. Ottawa, the Council.

Communist Party of Canada. What the Communist Party Stands For; plain talks on vital problems based on "Why Communism" by M. L. Olgin. 119p. Toronto, Communist Party of Canada. 10c.

Conference on Canadian-American Affairs. Conference on Canadian-American affairs, held at the St. Lawrence University, Canton, New York, June 17-22, 1935, under the joint auspices of the Carnegie Endowment for International Peace, the St. Lawrence University, Queen's University; proceedings ed. by Walter W. Mc-

Laren, Albert B. Corey, Reginald G. Trotter. xi, 301p. front. Boston, Carnegie Endowment for International Peace. $3.

Dawson, Carl Addington. Group Settlement; ethnic communities in Western Canada. (Canadian Frontiers of Settlement, ed. by W. A. Mackintosh and W. L. G. Joerg, v.7). xxi, 395p. il. maps, plans, diagrs. Toronto, Macmillan. $4.50.

Dominion-Provincial Conference, Ottawa, 1935. Record of Proceedings, Ottawa, December 9-13, 1935. 74p. Ottawa, King's Printer.

England, Robert. The Colonization of Western Canada; a study of contemporary land settlement (1896-1934). 341p. front. pl. maps, diagrs. London, King. 15/.

Evatt, Herbert Vere, 1894—. The King and his Dominion Governors; a study of the reserve powers of the Crown in Great Britain and the Dominions. xvi, 324p. London, Oxford. 15/.

Frame, Samuel John, 1877—. The Future of the Anglo-Saxon Race. 132p. Toronto, Garden City Press. $1.

Great Britain. Dept. of Overseas Trade. Economic Conditions in Canada, 1935-6; report by F. W. Field. 244p. London, H.M. Stationery Office. 3/6.

Haver, M. J. Social Credit Explained; a text book for social credit as applied to the Province of Saskatchewan and the other Provinces of Canada; v.1. 59p. Saskatoon, Sask., the Author, 819 10th St. 25c.

Hornby, Montague Leyland, 1870—. Canada and British Immigration; presented to all members of Federal Parliament of Canada, Feb. 1936. 90p. Lethbridge, Alta., the Author.

Industrial Relations; papers presented at a conference on industrial relations sponsored by Queen's University, the Montreal Personnel Association and the Personnel Association of Toronto. 100p. Kingston, Jackson Press.

MacInnis, Grace, and Woodsworth, Charles J. Jungle Tales Retold; a survey of capitalist monopoly in Canada. 58p. Ottawa, Labour Pub. Co. 15c.

Marshall, Herbert, 1887—, Southard, Frank Allan, 1907—, and Taylor, Kenneth Wiffin, 1899—. Canadian-American Industry; a study in international investment; with an excursus on The Canadian balance of payments by Frank A. Knox. (Carnegie Endowment for International Peace. Division of Economics and History. Relations of Canada and the United States, v.1). xv, 360p. maps. Toronto, Ryerson. $3.50.

Moore, William Henry, 1872—. Public Life. 2v. 64; 64p. diagrs. Pickering, Ont., the Author. 25c each.

Murray, Alexander Sutherland, 1895—. Die Sozialen Probleme Kanadas und Mittel und Wege fur ihre Lösung. 54p. Breslau, Buchdruckerei Sperling.

Ortmeyer, Paul Ferdinand. Grundlagen Wirtschaftlicher Zusammenarbeit Kanadas mit Grosbritannien und den Vereinigten Staaten von Amerika; Innaugural-Dissertation zur Erlangung der Doktorwürde der Wirtschafts-und Sozialwissenschaftlichen Fakultät der Universität Koln. 98p. Fulda, Germany, Theodor Sandfort.

Peterson, Charles Walter, 1868—. Immigration and its Economic Background. 54p. Calgary, Farm and Ranch Review. 25c.

Prince, Samuel Henry. Society and the Housing Crisis; an introd. to the study of housing. 114p. front. Toronto, Council for Social Service of Church of England in Canada. 50c.

Selekman, Ben Morris, 1893—. Law and Labor Relations; a study of the Industrial Disputes Investigations Act of Canada. v, 65p. Boston, Harvard Univ. Graduate School of Bus. Administration. $1.

Trades and Labor Congress of Canada. Report of the Proceedings of the 52nd Convention, held at the city of Montreal, Quebec, Sept. 1936. 216p. Ottawa, the Congress.

Vaillancourt, Emile. Broad Side; introd. by Wilfrid Bovey. 113p. Montreal. Ducharme. $1.

What Do You Know About Ethiopia? issued by a committee representative of the Italian community of Toronto. 60p. Toronto, Italian Pub. Co. 25c.

Religion

Church of England in Canada. The Year Book and Clergy List, 1936. 224p. pl. ports. map. Toronto, General Synod of the Church of England in Canada. 75c.

Czakō, Ambrosius, 1887—. Easter Eve; reflections on the possibility of living a human life that possesses value; with an introd. letter by Nathaniel Micklem. 73p. Oxford, Blackwell. 5/ paper.

Gordon, Charles William (Ralph Connor, *pseud.*) 1860-1937. He Dwelt Among Us. 174p. Toronto, McClelland & Stewart. $1.75.

Heeney, William Bertal, 1873—. Jesus and the Holy Spirit. 56p. Winnipeg. Russell Lang, Somerset Bldg.

Meek, Theophile James, 1881—. Hebrew Origins. (Oberlin College. Graduate School of Theology. Haskell Lectures, 1933-4). ix, 220p. Toronto, Musson. $2.50.

Moore, F. J. The Church in the Making. 83p. Toronto, Upper Canada Tract Soc. 45c; bd. 65c.

Morice, Adrien Gabriel, 1859—. The Catholic Church in the Canadian Northwest. 86p. il. ports. Winnipeg, the Author.

Orr, James Edwin, 1912—. Times of Refreshing; 10,000 miles of miracle through Canada. 128p. London, Marshall, Morgan and Scott. 1/.

Pounder, Roy M. Artist, Thinker and Saint. xii, 225p. Toronto, Ryerson. $2.

Presbyterian Church in Canada. The Acts and Proceedings of the 62nd General Assembly, Hamilton, Ont., June 3-10, 1936. 332, viii p. Toronto, Murray Print Co.

Reid, W. Stanford. The Church of Scotland in Lower Canada; its struggle for establishment. 192p. Toronto, Presbyterian Pubs. $1.50 cloth; $1 paper.

Ritchie, Mary Houston. Friends Around the World. 64p. Toronto, United Church of Canada, Woman's Missionary Soc. 75c.

Scott, Robert Balgarnie Young, 1899—, and Vlastos, Gregory, 1907—, *eds.* Towards the Christian Revolution. ix, 254p. Chicago, Willett Clark. $2.

Seton, Ernest Thompson, 1860—, *comp.* The Gospel of the Red Man; an Indian Bible. xii, 121p. Garden City, Doubleday. $1.

United Church of Canada. Year Book, 1936 (1935). 633p. Toronto, the Church.

Wallace, Archer, 1884—. I Believe in People. xiii, 210p. Toronto, Ryerson. $2.

Science

Bostock, Hugh Samuel, 1901—. Carmacks District, Yukon. 67p. front. pl. maps. Ottawa, King's Printer. 25c.

Bull, William Perkins, 1870—. From Humming-Bird to Eagle; a study of bird life and habits, with stories of birds and bird-fanciers from pioneer days to the present. 300p. il. pl. ports. Toronto, Perkins Bull Foundation. De luxe ed. $10; library ed. $5; paper $2.50.

Clarke, C. H. Douglas. Fluctuations in Number of Ruffed Grouse, *Bonasa Umbellus* (Linne) with special reference to Ontario. 118p. maps, diagr. Univ. of Toronto Press. $1.

Durrant, J. E. and Kingston, Harold Reynolds, 1886—. A New Geometry, Analytic—Synthetic. 238p. front. il. port. diagrs. Toronto, Macmillan. $1.

Holmyard, Eric John, 1891—. General Science, rev. by H. Y. Haines. 240p. Toronto, Dent. $1.25.

Keys, David Arnold, 1890—, and Watson, H. G. I. An Elementary College Course in Experimental Physics. ii, 109p. Montreal, Renouf. $2.85.

Laurence, G. C. Radium Dosage. (Canada. National Research Council. Bul. 17). 50p. diagrs. Ottawa, the Council.

McCowan, Daniel, 1882—. Animals of the Canadian Rockies; illus. from photographs by the author; front. by Carl Rungius. x, 302p. front. pl. Toronto, Macmillan. $3.

Merrill, James Andrew, 1861—. The Wonderland of Lake Superior. 631. il. Minneapolis, Burgess Pub. Co.

Miner, Jack, 1865—. Jack Miner and the Birds; new and enl. ed. 207p. Toronto, Copp Clark. $1.25.

Parks, William Arthur, 1868-1936. Devonian Stromatoporoids of North America; part 1. 125p. pl. Univ. of Toronto Press. $1.

Ross, J. E. R. Triangulation in Ontario and Quebec. 194p. il. maps, pl. diagrs. Ottawa, King's Printer. $1.50.

Royal Canadian Institute. Proceedings, ser. III, v.1, 1936. 82p. Toronto, the Institute.

Royal Canadian Institute. Transactions. v.21, pt.1, Oct. 1936. 151p. pl. maps, diagrs. Univ. of Toronto Press. $2.

Royal Society of Canada. List of officers and members and minutes of proceedings, 1936. (Trans. 1936, 3d ser. v.30). 21, CXXVI p. ports. Ottawa, the Society.

Sutton, George Miksch, 1898—. Birds in the Wilderness; adventures of an ornithologist; illus. by the author with pencil drawings and field-sketches in colour made from living or freshly killed birds. xiv, 200p. pl. Toronto, Macmillan. $3.50.

Wilson, Alice E., Caley, J. F. and others. Contributions to the Study of the Ordovician of Ontario and Quebec. iv, 133p. pl. diagrs. Ottawa, King's Printer. 50c.

Sport

Devlin, Joseph Francis, 1900—. Badminton for All. 128p. il. London, Hutchinson. 4/6.

Hall, Frederick Arthur, 1903—, and Benson, Nathaniel Anketell Michael, 1903—. Improve your Skiing. 221p. il. pl. diagrs. Toronto, McLeod. $2.

Statistics and General Works

Canada. Dominion Bureau of Statistics. Seventh Census of Canada, 1931. v.I, Summary. 1520p. il. maps, facsims. diagrs. $1.50. v.VII, Occupations and Industries, xxvii, 1007p. $1. v.VIII, Agriculture. ccxxii, 838p. maps. $1. v.IX, Institutions. lii, 495p. $1. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Vital Statistics, 1934; Fourteenth Annual Report. 440p. Ottawa, King's Printer. $1.

Canada. Dominion Bureau of Statistics. Finance Statistics Br. Financial Statistics of Provincial Governments in Canada, 1934. 109p. Ottawa, King's Printer. 25c.

Canada, 1936; the Official Handbook of Present Conditions and Recent Progress. 200p. front. il. pl. ports. maps, diagrs. Ottawa, Dominion Bureau of Statistics. 25c.

The Canada Year Book, 1936; the official statistical annual of the resources, history, institutions and social and economic conditions of the Dominion. xli, 1154p. front. pl. ports. maps, facsim. diagrs. Ottawa, King's Printer. $1.50.

The Canadian Almanac and Legal and Court Directory for the year 1936; ed. by Horace C. Corner. 672p. map. Toronto, Copp Clark. $6.

5000 Facts About Canada, founded by Frank Yeigh; 1936 ed. viii, 88p. Toronto, Ontario Pub. Co. 35c.

Wallace, William Stewart, 1884—, *ed.* The Encyclopedia of Canada. v.3-4. fronts. pl. maps, diagr. Toronto, University Associates of Canada. Morocco $72; fabrikoid $55.50, for complete set.

Transportation

Canada. Dept. of Marine. Navigation Conditions on the Hudson Bay Route from the Atlantic Seaboard to Port Churchill, season of navigation, 1935. 85p. pl. map. Ottawa, King's Printer.

Canada. Dominion Bureau of Statistics. Transportation and Public Utilities Br. Statistics of Electric Railways of Canada for 1934. 64p. 25c. Statistics of Steam Railways of Canada for 1934. 206p. 50c. Ottawa, King's Printer.

Denison, Merrill, 1896—. Advancing America; the drama of transportation and communication. xi, 303p. il. Toronto, McClelland & Stewart. $2.25.

Laut, Agnes Christina, 1871-1936. The Romance of the Rails; the story of the American Railroads; new ed. x, 590p. front. il. pl. ports. maps, facsims. music. N.Y. Tudor Pub. Co. $1.48.

Rountree, G. Meredith, Hemmeon, Joseph Clarence, 1879—, and Marsh, Leonard C. The Railway Worker; a study of the employment and unemployment problems of the Canadian railways. (McGill Social Research ser. no. 5). xx, 364p. Toronto, Oxford. $3.

Steinberg, Albert G. and Hopkins, Joseph W. Evolution and Economics of Transportation. xiv, 393p. il. Toronto, Pitman. $1.25.

Tombs, Laurence Chalmers, 1903—. International Organization in European air transport. xx, 219p. maps. N.Y. Columbia Univ. Press. $3.

Wallace, Frederick William, 1886—. Canadian Ports and Shipping Directory, 1936. 310p. il. maps. Gardenvale, Que., National Business Pubs. $5.

Travel and Description

Barbeau, Charles Marius, 1883—. The Kingdom of Saguenay; illus. by A. Y. Jackson, George Pepper, Kathleen Daly; chapter heads by Marjorie Borden. 167p. front. il. pl. $2.75. Quebec, Where Ancient France Lingers; illus. by Marjorie Borden. 173p. front. il. ports. map, music. $2.75. Toronto, Macmillan.

Bodfish, Hartson Hallett. Chasing the Bowhead; as told by Captain Hartson H. Bodfish and recorded for him by Joseph C. Allen. x, 281p. il. Cambridge, Harvard Univ. Press. $3.

Brinley, Kathrine Gordon (Sanger). Away to Cape Breton; illus. by Putnam Brinley. x, 266p. front. pl. Toronto, McClelland & Stewart. $2.75.

Canada. Dept. of Immigration and Colonization. Canada; descriptive atlas. 80p. il. maps. Ottawa, the Department.

Canadian Travel Bureau. Canada, Your Friendly Neighbour, Invites You. 52p. il. maps. Ottawa, the Bureau.

Carrel, Frank, 1870—. Carrel's Illustrated Guide and Map of Quebec. 44th ed. 213p. il. ports. maps, facsims. Quebec, Chronicle-Telegraph Pub. Co. 35c.

Cross, Austin Fletcher, 1898—. Cross Roads. 301p. Montreal, Southam Press. $2.

Gillis, James D., 1870—. My Palestine Pilgrimage. 72p. pl. Hillsboro, N.S., the Author. 50c.

Kinniburgh, James, 1888—. Sidelights on Canada. 55p. London, Stockwell. 2/6.

Mackenzie, Kenneth, 1903—. Living Rough. 288p. London, Cape. 7/6.

MacLean, Robinson, 1910—. John Hoy of Ethiopia; illus. with photographs. xv, 264p. front. pl. ports. N.Y. Farrar & Rinehart. $2.50.

Sinclair, Gordon Allan, 1900—. Khyber Caravan; through Kashmir, Waziristan, Afghanistan, Baluchistan and Northern India; illus. with photographs. 316p. il. maps. Toronto, Oxford. $2.50.

Smith, *Mrs.* Olive (Willett). Gaspé the Romantique, with drawings by Vivian Moir. xi, 156p. front. il. pl. map. N.Y. Crowell. $2.

Stead, James. Treasure Trek; with an introd. by "Sinbad". x, 304p. pl. Toronto, Musson. $4.

Thomas, Lowell Jackson, 1892—. Seeing Canada with Lowell Thomas, accompanied by Rex Barton. 108p. front. il. map. Akron, O. Saalfield. $1.

Wallace, Frederick William, 1886—. Under Sail in the Last of the Clippers. 242p. il. Boston, Lauriat. $4.50.

Webster, John Clarence, 1863—. An Historical Guide to New Brunswick; rev. ed. 114p. il. pl. ports. maps. Fredericton, N.B., Govt. Bureau of Information.

Williams, Mabel Berta, 1872—. Guardians of the Wild. x, 144p. front. pl. map. Edinburgh, Nelson. 2/6.

French-Canadian Books

L'Académie Canadienne Saint-Thomas d'Aquin. [Actes et travaux]. v.5 (1934). Québec, L'Action Catholique. $1.25.

Achard, Eugène, 1884—. L'Homme Blanc de Gaspé. 123p. il. pls. (col.) Montréal, Libr. Générale Canadienne. $1.25.

Alcas-Marie, Frère. Frère Bernard Camille (Pierre Bernard) des Frères des Ecoles chrétiennes, 1886-1918. 207p. il. port. Montréal, Impr. de La Salle.

Almanach de L'Action Sociale Catholique. Année 20 (1936). Québec, L'Action Sociale Catholique. 50c.

Almanach du Peuple Beauchemin. v.67 (1936). Montréal, Beauchemin. 25c.

Aron, Marguerite. Prêtres et Religieuses de Notre-Dame de Sion. 272p. Paris, Grasset. frs.15.-

Audet, Francis Joseph, 1867—, and Malchelosse, Gérard, 1896—. Pseudonymes Canadiens; préf. de M. Aegidius Fauteux. 189p. Montréal, Ducharme. $2.

Barbeau, Victor. Mesure de Notre Taille. 245p. Montréal, L'auteur, 4311 St. Hubert St. $1.

Baril, Georges. Nomenclatures Chimiques; 4me éd. rev. et aug. Montréal, Thérien. 75c.

Bastien, Hermas, 1897—. L'Enseignement de la Philosophie. (Documents Historiques). v.1, Au Canada Français. 222p. Montréal, Lévesque. $1.

Baudin, Louis. Les Illusions du Crédit; conférences données à l'Ecole des hautes études commerciales de Montréal, du 21 Septembre au 16 Octobre 1936. (Documents Economiques). 319p. Montréal, Lévesque. $1.

Beaudet, Albert. La Second Renaissance. 56p. Ottawa, Le Droit. 20c.

Bernard, Antoine, 1890—. Le Drame Acadien Depuis 1604. 461p. il. pls. map. Montréal, Les Clercs de Saint Viateur. $1.50.

Bernard, Harry, 1898—. A B C du Petit Naturaliste Canadien. 5v. Montréal, Lévesque. 25c. ea.

Blanchard, Raoul, 1877—. La Région du Fleuve Saint-Laurent entre Québec et Montréal. (Etudes Canadiennes, sér. 2, no.1). 189p. pls. diag. Grenoble, Allier (Impr.).

Boissonnault, Charles Marie. Histoire Politique de la Province de Québec, 1867-1920. 377p. Québec, Les Editions Frontenac. $1.10.

Le Bottin Canadien-Français; 2me éd. 297p. Montréal, 300-310 est, rue Beaubien. 30c.

Bourgeois, Claude A. En Marge du Conflit Italo-Ethiopien: les commentaires de la guerre; causeries prononcées au poste C K A C "La Presse", Montréal. 291p. Montréal, Beauchemin. 75c.

Brassard, Adolphe, 1889—. Les Confidences de la Nature. (Contes et récits Canadiennes). 91p. il. Montréal, Lévesque. 40c.

Bruchesi, Jean, 1901—. Histoire du Canada pour tous. 2v. Montréal, Lévesque.

Les Cahiers des Dix, no. 1. 274p. front. il. Montréal, Impr. Le Rayon. $1.50.

Centenaire du Diocèse de Montréal, 1836-1936. 205p. Montréal, La Semaine Religieuse. 75c.

Choquette, Philippe Auguste, 1854—. Un Demisiècle de vie Politique. 352p. front. facs. Montréal, Beauchemin. $1.25.

Choquette, Robert, 1905—. Le Curé de Village, Scènes de vie Canadienne. 234p. Montréal, Granger. $1.

Civardi, Luigi. Manuel d'Action Catholique. Montréal, Les Editions Jocistes. $1.

Cléonique-Joseph, *Frère.* Etudes de Développement Floristique en Laurentie. (Contributions du Laboratoire Botanique de l'Univ. de Montréal, no. 27). 246p. il. maps, diagrs. N.Y. H. G. Fiedler, and Montréal, l'Université, Institut Botanique.

Closse, Lambert. La Réponse de la Race. 546p. front. Montréal, Thérien. $1.

Collège Dominicain d'Ottawa. Philosophie, Cahier I. (Etudes et Recherches, 1). 160p. Ottawa, le Collège. $1.

Constantin-Weyer, Maurice, 1881—. Telle Qu'elle Etait en son Vivant. 254p. Paris, Libr. des Champs Elysées. frs.12.-

Corminboeuf, Fernand. Eléments de Chimie Agricole. 186p. La Trappe, P.Q., Institut Agricole d'Oka. $1.

Cotret, Elphège A. René de, 1861—. L'Obstétrique des Gardes-Malades; 4me éd. 152p. Montréal, Déom. $1.50.

Cruchet, René, 1875—. Au Canada, Vieille Terre Française. 312p. il. fold. map. Bordeaux, Editions Delmas. frs.15.-

Cyrille, *Frère* **M.** Vers les Cimes; biographie du Frère Amable. 160p. il. Montréal, Impr. de La Salle. 35c.

Daignault, Elphège J. Le Vrai Mouvement Sentinelliste en Nouvelle Angleterre, 1923-1929, et l'affaire du Rhode Island. (Collection du Zodiaque, '35, v.9). 246p. Montréal, Déom. $1.

Daveluy, Marie-Claire, 1880—. Une Révolte au Pays des Fées. 166p. il. 90c. Sur les Ailes de l'Oiseau Bleu; l'envolée féerique. 203p. il. 90c. Montréal, Lévesque.

Daviault, Pierre, 1899—. L'Expression Juste en Traduction; notes de traduction; éd. complète et revisée. (Documents Linguistiques). 247p. Montréal, Lévesque. $2.50.

Desforêts, Benoît. Un Sillon dans la Forêt. 201p. Montréal, Beauchemin. 75c.

Desrochers, Arsène. Le Bridge pour tous. 208p. Montréal, Le Devoir. $1.

Desrochers, René. Le Sault-au-Récollet, "Paroisse La Visitation", 1736-1936; fêtes du 2me centenaire. 159p. il. port. map. plan. Montréal, N.p. $1.50.

Desrosiers, J. Choisissons la Doctrine Sociale de l'Eglise ou la Ruine; [radio-causeries]. 308p. Montréal, L'Action Sociale Populaire. 75c.

Desrosiers, Léo Paul, 1896—. Le Livre des Mystères. 175p. Montréal, Editions du Devoir. $1.

Dragon, Antonio. Au Mexique Rouge; Maria de la Luz Camacho, première martyre de l'Action Catholique. 248p. front. (port.) il. Montréal, L'Action Paroissiale. 80c.

Le Droit Civil Français; livre-souvenir des Journées du Droit Civil Français. (Montréal, 31 Aout—2 Sept. 1934). 956p. Barreau de Montréal, Palais de Justice.

Dubé, Rodolphe, 1905—. Leur Inquiétude, [par] François Hertel [*pseud.*]. (Editions "Jeunesse" A.C.J.C.). 244p. Montréal, Lévesque. 75c.

Du Berry, Jeanne. Jamais Contente. 290p. Québec, Libr. Pruneau. $1.

Duguay, *Mme.* **Jeanne (L'Archevêque).** Cantilènes. 187p. Montréal, Beauchemin. $1.

Dumont, R. J. Le Feu Chez Moi. 350p. il. Enghien-les-Bains (France), L'auteur, 10 rue du Temple. frs.70.-

Dupuis, René. De l'Anglais au Français en Electrotechnique. 237p. Québec, N.p. $1.

Dussault, E. Sept ans d'Examen Particulier à la Suite Saint Thomas. 202p. Paris, Lethielleux. frs.12.-

Dutilly, Arthème. Le "Pie XI" des Esquimaux. 190p. front. (port.) pls. Québec, Impr. Provinciale. 75c.

Duval, Clovis. Les Aspects, Sonnets; préf. de Jean-Louis Vaneille. 165p. Saint-Lo (France), Edns. de "Scripta", 24 route de Villedieu. $1.

Ecole des Hautes Etudes Commerciales de Montréal. Etudes Economiques; thèses présentées à la "Licence en Sciences Commerciales" en mai 1936. (Pub. v.VI). 559p. diagrs. Montréal, Beauchemin.

Fabre-Surveyer, Edouard, 1875—. La Conception du Droit International Privé d'Après la Doctrine et la Pratique au Canada. 106p. Paris, Sirey.

Falardeau, Emile. Un Maître de la Peinture, Antoine-Sébastien Falardeau.; préf de Oliver Maurault. (Figures Canadiennes). 164p. Montréal, Lévesque. 75c.

Faribault, Marcel. La Fiducie ou Trust de Droit Civil dans la Province de Québec. Montréal, Wilson et Lafleur. $6.50 bd.

Ferland, Auguste. Commentarius in Summum D. Thomae, De Verbo Incarnato et Redemptore; préf. de S. E. Mgr. E. Yelle. 318p. Montréal, En vente au Grand Séminaire de Montréal. $1.30 bd.

Fradet, Adjutor. Expressions Justes en Affaires, tenue des livres, transactions, réclame, tout en bon Français. 316p. Québec, Edns. Les Affaires. $1.50.

Les Franco-Américains Peints par Eux-Mêmes; avant-propos par Adolphe Robert. (Documents Sociaux). 284p. map. Montréal, Lévesque. $1.

Garceau, *Mme.* **Corinne P. (Beauchemin).** Etincelles, [par] Moïsette Olier [*pseud.*]. 221p. il. Trois-Rivières, Le Nouvelliste. $1.

Garceau, *Mme.* **Corinne P. (Beauchemin).** Mademoiselle Sérénité, [par] Moïsette Olier [*pseud.*]. 210p. Trois-Rivières, Le Nouvelliste. 75c.

Germain, Victorin, 1890—. Leur Sapience, propos de petites filles recueillis & annotés. 149p. il. Québec, L'Action Catholique. 75c.

Germain, Victorin, 1890—. Le Point d'Interrogation Exposé, sommaire du mystère de la génération humaine et des questions connexes. 189p. Québec, L'auteur, 680 bis Chemin Ste-Foy. $1.

Gillet, Jean. Brunes & Blondes, Poèmes. 103p. front. (port.). Montréal, Beauchemin. $1.

Greig, Mary Starkey. Mère St-Dominique, auxiliatrice du Purgatoire, missionnaire en Chine (1842-1927); adapté de l'Anglais par Marie René Bazin. 260p. Paris, Spes. frs.12.-

Grey Owl, "Washaquonasin," 1888-1938. Sajo et ses Castors; illus. de dessins de l'auteur. (Bibliothèque Nelson illustrée). 248p. il. Paris, Nelson. 7.50 fr.

Grignon, Claude Henri, 1894—. Précisions sur "Un Homme et Son Péché". 107p. Montréal, Editions du Vieux Chêne. 35c.

Groulx, Lionel, 1878—. Notre Maître, le Passé. 2me série. 307p. Montréal, Granger. $1.

Guay, François Xavier. Le Chemin du Bonheur, "la Terre". 122p. Montréal, Impr. aux Ateliers des Sourds-Muets. 50c.

Hébert, Maurice, 1886—. L'art d'Apprendre la Belle Caricature en peu de Temps; pour usage privé ou des écoles. 168p. il. Montréal, N.p., 1936? $2.

Hébert, Maurice, 1886—. Les Lettres au Canada Français. Première série. (Les Jugements). 247p. Montréal, Lévesque. $1.

Hoffner, Claire. Allocations Familiales, leur généralisation en Belgique, en France et en Italie. (L'Ecole Sociale Populaire, no 264). Montréal, L'Action Paroissiale. 15c.

Homage à Jacques Cartier. 71p. pl. Montréal, La Société Saint-Jean-Baptiste de Montréal. *Gratis.*

Hornbostel, Henry. Le Drame Monétaire; conférences données à l'Ecole des Hautes Etudes commerciales de Montréal, du 18 Mars au 18 Avril 1935. (Documents Economiques). 270p. Montréal, Lévesque. $1.

Hudon, Théophile. Est-ce la fin de la Confédération? avec préface par le P. Louis Lavoie, S.J. 188p. Montréal, Impr. du Messager. 75c.

Hugolin, Rév. Père, 1877—. Vieux Papiers, vieilles chansons, par le R. P. Hugolin Lemay. 193p. Montréal, Impr. des Franciscains. 75c.

Lachance, Louis, 1899—. Nationalisme et Religion. 195p. Ottawa, Collège Dominicain.

Lallier, Joseph, 1878—. Allie; récit et Impressions. 272p. Montréal, L'Action Paroissiale. 75c.

Lalonde, Louis Marie. Hérédité, Manuel de Génétique, par le Père Louis-Marie. 473p. front. il. La Trappe, Inst. Agricole d'Oka. $1.60.

Lamarche, M. A., 1876—. Nouvelles Ebauches Critiques: extrait de la Revue Dominicaine. 161p. Montréal, Granger. 75c.

La Roncière, Charles Germain Marie Bourel de, 1870—. Le Père de la Louisiane, Cavelier de La Salle. 128p. Tours, Mame.

Lavallée, Jeannine, 1897—. Koshawika. 202p. pl. Montréal, Rénovation. $1.50.

Le Franc, Marie. La Randonnée Passionnée, Roman. 248p. Paris, Ferenczi. frs.12.-

Le Myre, Oscar. Au Pays des Rêves. 100p. Montréal, Beauchemin.

Longpré, Anselme. La Pensée Catholique. 177p. Montréal, Edns. du Devoir.

Lorrain, Léon, 1885—. Les Etrangers dans la Cité. 140p. Montréal, Les Presses du Mercure. 75c.

McAndrew, William Allan Gordon, 1911—. Louis Hémon, sa vie et Son Oeuvre. 255p. Paris, Jouve.

Mandeville, Antonio. Historique de la Paroisse de St-Jean-Baptiste de l'Orignal Ont., 1836-1936. 232p. il. Ottawa, Impr. du Droit. 75c.

Marie Stéphane, *Soeur.* La Musique au Point de vue Educatif. 158p. Outremont, P.Q., Institut des Saints Noms de Jésus et de Marie. $1.

Martin, Ernest. Les Exilés Acadiens en France au XVIIIe Siècle et leur Etablissement au Poitou. v, 337p. pl. map. plan. frs.32.- L'Evangeline de Longfellow et la Suite Merveilleuse d'un Poème. 375p. il. map. Paris, Hachette.

Massicotte, Edouard Zotique, 1867—. Sainte-Geneviève de Batiscan. (Pages Trifluviennes série A, no 18). 131p. front. (plan). Les Trois-Rivières, Edns. du Bien Public. 60c.

Maurault, Olivier, 1886—. Nos Messieurs. 325p. Montréal, Edns. du Zodiaque. $1.

Mélançon, Claude, 1895—. Les Poissons de nos Eaux. Série 1 et 2. 128, 248p. il. Montréal, Granger. $1 for 2v.

Minville, Esdras. Comment Etablir l'Organisation Corporative au Canada. (L'Ecole Sociale Populaire, no 272). 193p. Montréal, L'Action Paroissiale. 15c.

Montpetit, Edouard, 1881—. Le Front Contre la Vitre. 279p. Montréal, Lévesque. $1.

Morice, Adrian Gabriel, 1859—. Dans le Champ des Lettres Canadiennes. 110p. Winnipeg, L'auteur, 200 rue Austin. 75c.

Morin, Victor. Trois Docteurs, E.-Z. Massicotte, Litt.D., Aegidius Fauteux, Litt.D., J. B. Lagacé, Univ.D. 70p. Montréal, Edition Intime.

Morin, Wilfrid. La Propriété Privée, droit réel, droit limité, d'après Saint-Thomas et les Encycliques de Léon XIII et de Pie XI. (Documents Sociaux). 390p. Montréal, Lévesque. $1.

Morisset, Gérard. Peintres et Tableaux. (Les arts au Canada Français, no 1). xi, 271p. pl. Québec, Edn. du Chevalet.

Nécrologie de la Province de Saint-Joseph de l'Ordre des Frères Mineurs du Canada. 176p. Montréal, Impr. des Franciscains.

Olichon, Armand. Les Missions. 500p. il. Paris, Bloud et Gay. frs.120.-

Pacifique, *Rév. Père,* **1863—.** Paroissien Micmac. v.2. 757p. Restigouche, P.Q., N.p. $1.

Papillon, J. M. Initiation aux Affaires. (Documents Economiques). 134p. Montréal, Lévesque. 75c.

Parent, Honoré. De l'Estimation Municipale des Biens-Fonds. 77p. Montréal, N.p.

Paul-Emile, *Soeur.* Le Renouveau Marial dans la Littérature Française Depuis Chateaubriand Jusqu'à nos Jours. 313p. front. Ottawa, N.p. $1.25.

Peghaire, J. Intellectus et Ratio Selon S. Thomas d'Acquin. 318p. Ottawa, Inst. d'Etudes Médiévales. $2.

Pelland, Lionel. S. Prosperi Aquitani Doctrina de Praedestinatione et Voluntate Dei Salvifica. (Studia Collegii Maximi Immaculate Conceptionis, no 2). Montréal, L'Administration des Studia. $1.50[?].

Perrault, Antonio, 1880—. Traité de Droit Commercial. 2v. Montréal, Wilson et Lafleur. $25.

Pouliot, Jean François. Traité de Droit Fabricien et Paroissial; étude de critique de législation comparée. Montréal, Wilson et Lafleur. $10.

Pouliot, Léon. Trois Grands Artisans du Diocèse de Montréal. 80p. il. plan. Montréal, Edns. du Messager Canadien. 25c.

Quebec (Province). *Archives.* Inventaire des Insinuations de la Prévôté de Québec, par Pierre-Georges Roy. v.1-2. Beauceville, L' "Eclaireur", Ltée.

Québec (Province). *Archives.* Rapport de l'Archiviste pour 1935-1936; par P.-G. Roy. viii, 455p. Québec, Impr. du Roi.

Québec (Province). *Code municipal.* Code Municipal de la Province de Québec; 2me éd. par Robert Tellier. Montréal, Wilson et Lafleur. $5.

Quesnel, P. Radio Conférences, 1935 and 1936. v.3-4. N.p. 35c for 2v.

Quinel, Charles, 1868—, and Montgon, Adhémar, *comte de.* Jacques Cartier, le Découvreur du Canada. 189p. pls. Paris, Nathan. frs.12.50, bd.

Quinsonas, *comte de.* Un Dauphinois, Cinquième Évêque de la Nouvelle-France; Monseigneur de Lauberivière (1711-1740), par un de ses arrière-petits-neveux. xvii, 205p. front. pls. Paris, Maisonneuve. $1.70.

Rancourt, Jacques de. En Marge de la Mort. 200p. Paris, Nouvelles éditions latines. frs.12.-

Rémi, *Frère.* Cueillette Mélodique de l'Année. 91p. il. Québec, N.p. $1.05.

Robitaille, Georges, 1883—. Montcalm et ses Historiens; étude critique. 237p. pls. Montréal, Granger. $1.

Roy, Henri. Un Problème et une Solution; 2me éd. 95p. Montréal, Edns. Jocistes. 75c.

Rumilly, Robert, 1897—. Artisans du Miracle Canadien: régime Anglais. (Figures Canadiennes). 168p. 75c. Artisans du Miracle Canadien; régime Français. (Figures Canadiennes.) 270p. $1. Montréal, Lévesque.

Rumilly, Robert, 1897—. Marguerite Bourgeoys. 243p. Paris, Spes. frs.12.-

Rumilly, Robert, 1897—. Mercier. (Collection du Zodiaque '35). 545p. Montréal, Les Edns. du Zodiaque. $1.

Saint Olive, Pierre. Les Dauphinois au Canada; essai de catalogue des Dauphinois qui ont pris part à l'établissement du régime Français au Canada, suivi d'une étude sur un Dauphinois Canadien, Antoine Pécody de Contrecoeur. 127p. Paris, Maisonneuve.

Seers, Eugène, 1865—. Contes de Noël, [par] Louis Dantin [*pseud.*]. (Contes et récits). 117p. Montréal, Lévesque. 40c.

Sei Maria. 62p. il. Montréal, Bureau Marguerite Bourgeoys, 3040 ouest, rue Sherbrooke. 15c.

Semaines Sociales du Canada. XIVe Session (Les Trois-Rivières, 1936). Compte rendu. L'organisation professionnelle. 392p. Montréal, Secrétariat des Semaines Sociales du Canada, Ecole Sociale Populaire. $1.50.

Sur le Chemin, [par] une Educatrice Canadienne. 109p. Montréal, Granger. 35c.

Tanghe, Raymond, 1898—. Le Conflit Italo-Éthiopien. (Horizons Internationaux). 113p. front. map. 75c. Montréal. (Albums Canadiens). 193p. il. maps. $3. Montréal, Lévesque.

Taschereau-Fortier, *Mme.* **Marie-Caroline-Alexandra (Bouchette), 1874—.** Le Vendeur de Paniers, (par) Maxine (*pseud.*) (Contes et récits). 105p. 40c. Les Trois Fées du Bois d'Epinette, la nature, ses règnes, ses merveilles, (par) Maxine (*pseud.*); préface de Laetare Roy. (Contes et récits). 103p. Montréal, Lévesque.

Tellier, Robert. Supplément au Répertoire Général de Jurisprudence Canadienne. v.1-2. Montréal, Wilson et Lafleur. $50.

Tessier, Albert, 1895—. Ceux qui Firent Notre Pays. (Collection du Zodiaque '35). 205p. Montréal, Déom. $1.

Tessier, Albert, 1895—. Les Trois-Rivières; quatre siècles d'histoire, 1535-1935; 2me éd. [rev. et aug.]. 162p. il. Les Trois-Rivières, Le Nouvelliste, [1936?]. $1.

Theodule, *Frère.* Les Frères du Sacré-Coeur au Canada, 1872-1936. 264p. pl. port. map. Arthabaska, P.Q., Impr. d'Arthabaska. 80c.

Trudel, Paul Eugène, *comp.* IVe Centenaire de la Plantation de la Croix aux Trois-Rivières, célébré par une exposition missionnaire du 31 Août au 8 Septembre, volume souvenir. 366p. il. pl. Trois-Rivières, P.Q., l'Impr. St-Joseph.

Turcot, Marie Rose. Au Pays des Géants et des Fées, Contes de Folklore Canadien. 73p. il. Ottawa, le Droit. 50c.

Urbain, *Père,* **1890—.** Visions Egyptiennes; visions profanes. 216p. il. Ottawa, le Droit. $1.

Les Vingt-Cinq ans de l'Ecole Sociale Populaire, 1911-1936; une oeuvre de doctrine et salut . . . ; lettres laudatives de S. E. le Cardinal Villeneuve, O.M.I., et de S. E. Mgr. Gauthier. (L'Ecole Sociale Populaire, nos 269-270). 61p. Montréal, L'Action Paroissiale. 25c.

TRANSPORTATION
INDUSTRIAL AND FINANCIAL
SUPPLEMENT

CANADIAN PACIFIC RAILWAY COMPANY

PRESIDENTIAL ADDRESS OF E. W. BEATTY,* K.C., LL.D. AT THE 54th ANNUAL MEETING†

AND

REPORT FOR THE YEAR ENDED DEC. 31, 1934

Mr. Beatty's 17th Annual Address

When I appeared before you at this time last year it was to comment upon a report which reflected a decline in traffic and gross earnings for the fifth successive year. At that time I stated that 1933 might prove to be the low point, from which there would be progressive increase to normal levels. Traffic in 1934, while still far from normal, did show a moderate improvement over 1933, and while 1935 has not started auspiciously, it is hoped that the recovery will be carried forward into the current year. The results of the Company's operations for the year 1934 have been portrayed in the Annual Report, which has been distributed. Certain observations with further reference to the accounts may be of interest.

Last year gross earnings of the Company increased 9.9 per cent. Working expenses, as a result of careful control, increased 6.7 per cent. only, and net earnings increased by $4,960,729, or 44 per cent. of the increase in gross earnings. The ratio of working expenses (including taxes) to gross earnings declined more than two points, and now stands at 80.58 per cent. This is the lowest ratio since the year 1930. These favourable results reflect the re-adjustments of operations which have been achieved through the continued diligence and perseverance of the Company's officers and employees in the performance of their duties.

An analysis of the traffic movement furnishes an informative insight into the general conditions of the country, and a comparison with the traffic movement of previous years indicates the extent to which progress has been made along the road to recovery. Rail freight tonnage increased 16.3 per cent., ton mileage 7.2 per cent., and revenue 11.3 per cent. over 1933. The major increases in tonnage were in products of mines, products of forests, and manufactures and miscellaneous, which increased 28.9 per cent., 29.9 per cent. and 22.1 per cent., respectively. There was a moderate increase in tonnage of animals and products of 7.8 per cent. The increase in tonnage of less than carload freight was 2.5 per cent. only, no doubt partly due to the continued unregulated competition on the highways. There was an increase of less than one-half of 1 per cent. in the tonnage of agricultural products and an actual decrease in revenue from this class of products, which ordinarily forms a very substantial proportion of this Company's business. The reduction in revenue from agricultural products took place mainly in grains, of which western wheat is the principal item. A small wheat crop in 1933 followed by a crop in

*NOTE.—Created Knight, Grand Cross of the Order of the British Empire, June 3, 1935.
†NOTE.—Annual Meeting, May 1, 1935, at Montreal. For a history of the C.P.R. see *The Canadian Annual Review, 1911;* for Lord Shaughnessy's last Presidential Address, see *The C.A.R. 1918;* for Mr. Beatty's first sixteen Presidential Addresses, see *The C.A.R.* from *1919* to *1934.*

1934 of approximately the same size, together with reduced exports, has resulted in a diminished primary rail movement. The persistence of drought conditions in the southern portion of the Prairies has played no little part in the traffic declines of your Company of the last few years. From 1923 to 1930 the total annual inspections of grain on all railways in Western Canada averaged 425,000,000 bushels, whereas the average from 1931 to 1934 was 323,000,000 bushels. In addition, as the territory affected by the drought is largely served by your railway lines, your Company received a smaller proportion of the reduced total. Thus, for the eight-year period 1923-1930 the bushels of grain inspected on your Company's lines formed 56 per cent. of the total, while for the four years 1931-1934 the percentage was 49 per cent. only. The effect of these conditions is shown by the record of annual grain inspections on your Company's lines. In 1934 a total of 138,000,000 bushels of grain was inspected, which compares with the figures for previous years as follows:

1926	226,000,000	1930	175,000,000
1927	232,000,000	1931	149,000,000
1928	370,000,000	1932	185,000,000
1929	201,000,000	1933	160,000,000

As has already been mentioned, Western wheat constitutes the principal item to show a reduction in revenue. It is patent that the wheat situation remains the main factor retarding a more substantial recovery in gross revenues—and until this condition is rectified satisfactory progress cannot be assured. Stocks of Canadian wheat in store in elevators in Canada and the United States on April 19, 1935, were 222,000,000 bushels, as compared with 214,000,000 bushels at the same time last year, notwithstanding the partial or complete failure of crops in many parts of the world. Argentina and Australia, meanwhile, have been meeting the larger part of the world's import demands. However, it is gratifying to note that the total surplus stocks in exporting countries are diminishing rapidly, as a result of lower production generally in both hemispheres and increased purchases by the Orient. Statistics indicate that this year may mark a change for the better in respect to wheat prices and Canada's wheat position, which will be promptly reflected in the earnings of your Company.

A constructive feature of the traffic situation is the reversal in the past year of the trends in the volume of consumers' goods and durable goods carried. It is a well known feature of depressions that demand for durable goods falls off to a much greater extent than for consumers' goods. Capital expenditures are reduced to a minimum, construction almost ceases, and a much greater proportion of the available purchasing power goes into consumers' goods. This has been particularly observed in the present depression. In 1933 the tonnage of representative classes of durable goods had declined about two-thirds from the average of 1928 and 1929, while the reduction in consumers' goods was about one-third. A material increase in the movement of durable goods has been anxiously awaited. Analysis of last year's traffic indicates that this is now commencing to take place. The tonnage carried in the major classes of durable goods in 1934 was 50 per cent. greater than in 1933, while the increase in consumers' goods was 7 per cent. This revival in the movement of durable goods is particularly encouraging, as it reveals that constructive headway is being made in important sections of industry which have been seriously depressed.

The number of passengers carried by rail for the year showed only moderate gain, the increase over the previous year being less than 6 per

cent. This branch of the service is now providing only 20 per cent. of the total gross earnings of the Company, as compared with 30 per cent. prior to the Great War. The decline can be attributed principally to the inroads of the private motor car and, to some extent, of the motor bus in the passenger travel field. The average revenue per passenger mile decreased from 2.31 cents in 1933 to 2.19 cents. This decrease is largely accounted for by cheap rate excursion travel, both in respect to short distance excursions and cheap rates for limited periods between Eastern and Western Canada. Notwithstanding the increased passenger traffic, there was a reduction in train mileage, which resulted in an improvement of 12.9 per cent. in the passenger carryings per train mile. The pooling of certain passenger services with the Canadian National Railways has aided in this performance.

Revenue from mails and express increased $526,172. There were also moderate increases in revenues from other sources.

Maintenance expenses during the year increased $4,380,832, or 12.5 per cent. The major portion of this increase was spent on equipment. Work in the main shops in 1933 had been sharply curtailed. Commencing with March, 1934, the main shops began working on a schedule of 14 days per month, instead of 10 to 12 days as in the previous year. Charges to operating expenses for retirement of equipment were $508,327 greater than in 1933.

Transportation expenses increased $1,958,764, or 4.5 per cent. The ratio of transportation expenses to gross earnings was 36.3 per cent., as compared with 38.2 per cent. in the previous year. Notwithstanding the severe weather conditions of the early part of 1934, fuel consumption per 1,000 gross ton miles remained at the same level as in 1933. The efficiency and despatch in freight traffic movement showed further improvement, the gross ton miles per train hour, which in 1932 were 22,819, increasing to 23,849 in 1933 and 24,062 in 1934.

Special Income for the year amounted to $6,663,793, an increase of $441,312 over the previous year. This represents the net income from dividends, interest, exchange, separately operated properties, steamships, communications, hotels, office buildings, and miscellaneous. In order to conform with returns to certain regulatory bodies, it is proposed in next year's accounts to record these earnings under the caption "Other Income" and a minor re-arrangement will be made in the sub-captions in order to include in one total all the dividends received.

Fixed Charges for the year amounted to $24,578,026, an increase of only $189,411 over 1933. These charges consist of $3,625,070 rentals for leased lines and $20,952,956 interest on outstanding obligations.

After payment of all operating expenses, taxes, and fixed charges, there remained $6,469,791 for transfer to Profit and Loss and Surplus Revenue Account, as compared with $1,257,161 in 1933, an increase of $5,212,630.

The full annual depreciation requirement based upon a rate of 4 per cent. per annum on the original cost (less estimated salvage) of your ocean and coastal steamships amounting to $3,783,660 was appropriated for Steamship Replacement Reserve. While this amount exceeds the amount of the actual net earnings from steamship operations for the year, it is essential to note that these operations form a very important link in your world-wide transportation system, and, by turning over traffic to the railway, add substantially to the revenues from rail operations. The results of the operations of your vessels in the face of extreme com-

petition and under the acutely depressed conditions existing in the shipping world continue to compare favourably with those of others in the same trade.

You have already been informed in the Annual Report of the reason for the charge in connection with the retirement of 119.7 miles of second main track, which is one of the principal items making up the amount of $4,767,090, "Loss on lines abandoned, property retired and not replaced, and miscellaneous debits." Abandonments of this nature are made for the purpose of achieving more remunerative operating results through reduction in expenses and release of usable material. For these reasons, such abandonments should be viewed with favour, even though the immediate accounting results in charges against surplus account. Similar charges are involved in the applications now before the Board of Railway Commissioners for permission to abandon certain light traffic lines of the Company and in the proposals to abandon certain lines which parallel lines of the Canadian National Railways. However, improved net earnings for the Company will result if these abandonments are approved.

Although your investment in the United States railroads controlled through stock ownership is carried on the books of your Company at less than the book equity as computed from the balance sheets of these companies, it was considered advisable to make a further appropriation of $4,000,000 for possible losses in respect of investment in these lines. During the year the Company advanced to the Minneapolis, St. Paul & Sault Ste. Marie Railway Company $4,895,083, which enabled that company to meet in full its interest charges and retire $600,000 of notes due the Railroad Credit Corporation which had been guaranteed by the Canadian Pacific Railway as to principal and interest. The financial condition of this carrier has been the subject of grave concern, your Company having guaranteed interest amounting to $4,174,650 per annum on that company's outstanding bonds and principal and interest on $1,400,000 balance due the Railroad Credit Corporation. After careful consideration, it has been deemed in your interest up to the present to preserve that company's financial integrity. The situation is being watched closely with a view to keeping the Company's commitments to a minimum, and in any event, the major part of your interest guarantees cease in 1938. The other controlled railway companies in the United States did not require any financial assistance from your Company during the year.

Since the Annual Report was issued, letters have been received from a number of holders of Preference Stock expressing disappointment that a dividend on that Stock had not been declared. Careful consideration of the results of operation for the year 1934, and of the cash requirements for re-payments under equipment trust deeds, for anticipated advances to the Minneapolis, St. Paul & Sault Ste. Marie Railway Company and for other purposes, will, it is believed, confirm the Directors' decision that they would not have been justified in declaring any dividend in respect to the year 1934. While it is hoped that the worst of the unsettled conditions that have prevailed for so long are past, it is considered that the interest of all classes of shareholders will best be served through continued conservation of your Company's cash resources until dividend disbursements can be resumed without endangering the future financial stability of the Company. If trade volume continues to show improvement, it is hoped that the maintenance of this policy will not long be required. As the report indicates, the position of the Company has been improved materially.

The assets and liabilities of the Company are detailed in the Annual Report. Changes during the year are largely self-explanatory. Comments on a few of the major items may be of interest.

The capital expenditures for the year were less than the credits to property account arising from the retirement of equipment and other property. As a result, your Company's investment in railway, rolling stock equipment, lake and river steamers, and hotels was reduced by $3,492,380.

The investment in ocean and coastal steamships decreased $4,549,719, principally due to the retirement of the steamships "Empress of France" and "Metagama," which were sold for breaking up.

Acquired securities increased $2,521,000 due to the acquisition of $2,521,000 of Manitoba South Western Colonization Railway First Mortgage Bonds out of a total issue of $2,544,000, which matured June 1, 1934. When the remaining bonds are acquired, it is proposed to extend the term of the bonds. In the meantime, your Company's interests in the property are fully protected.

Advances to Controlled Properties and Other Investments increased $4,672,540, due to the advances to the Minneapolis, St. Paul and Sault Ste. Marie Railway Company, to which reference has already been made.

Assets in Lands and Properties decreased $7,708,945, due principally, as mentioned in the Report, to the transfer of 263,744 acres heretofore classed as "Irrigated" to "Non-irrigated," with necessary re-adjustment in value.

The cash on hand was $11,129,754 less than a year ago. At that time funds were reserved for the redemption of maturing securities which have since been retired.

No change occurred in the capital stock of the Company during 1934.

Bonds and Notes outstanding decreased by $16,665,392. The principal changes have been detailed in the Annual Report.

The increase in Reserves amounted to $7,636,196; the increase in steamship replacement reserve being $3,671,582, and the increase in investment reserve being $4,000,000.

Land Surplus decreased $11,337,314. This is principally due to an adjustment of land inventory values totalling $7,411,903, chiefly consisting of the re-classification of the lands referred to previously; charges account contracts cancelled of $2,191,648; and miscellaneous adjustments totalling $1,954,286.

Surplus revenue from operations, notwithstanding the heavy drains of recent years, still stands at $145,912,721. This surplus is, of course, not liquid. It has largely been re-invested in the property in accordance with the long established and desirable policy of keeping down the interest bearing obligations having priority over the preference and ordinary stock.

The Securities and Exchange Commission of the United States has promulgated rules and regulations, effective in 1935, in respect to financial and other data which will be required to conform with statutory enactments in order to maintain listings on the United States Exchanges. If, in order to comply with these regulations, any changes in connection with the arrangement of your balance sheet and your accounts are found to be necessary, it is anticipated that they will be of a minor nature only.

For the first three months of 1935, gross earnings show a decline of $1,049,000 from 1934, but an increase over 1933 of $2,866,000. There

has been an increase of $360,000 over 1934 in the first three weeks of April. The major adverse factor contributing to the decrease in gross earnings to date has been the decline in grain traffic. Grain car loadings on the Canadian Pacific during the first sixteen weeks of 1935 were 8,200 cars less than in the corresponding period in 1934. The latest reports to hand, however, indicate the possibility of a general pick-up in the movement of western grain. Passenger traffic has shown a slight increase as compared with the corresponding period of last year. Operating expenses for the early part of 1935 were adversely affected by the severe and prolonged snow and flood troubles in British Columbia. Pay roll expenses have also increased, due to the change in the basis of deductions from basic rates of pay for officers and employees referred to in the Report. Based on the staff employed in 1934, it is estimated that this change will add approximately $3,160,000 to expenses during the year 1935.

Enquiries in regard to summer travel have been more numerous than last year up to this time. It is hoped that this will result in greater hotel earnings, which will be required to apply against increases in wage rates and material costs if net earnings from this service are to be maintained or increased.

The communications services of your Company ordinarily derive considerable revenue from leased wire and message services furnished to brokerage and commission houses. This business had suffered severely in recent years due to the disorganization of the financial markets but in 1934 there was evidence of recovery following increased activity in these markets, an improvement which it is anticipated will be continued into the present year and will be reflected in increased earnings from this branch of the service. Your communications plant and equipment are modern in every respect, having been kept well abreast of the extraordinary developments which have been taking place during the past decade, and your Company is in a position to continue to enjoy its full share of the business offering.

The outlook for both Atlantic and Pacific steamship business appears a little brighter for the present year. There are indications that the wave of economy in travel expenditures in this and other countries is passing and that passengers are returning to the class of travel to which they have been accustomed in the past. The continued fluctuations in rates of exchange throughout the world remain a disturbing factor in overseas passenger travel. The celebrations this year of the 25th anniversary of the accession to the Throne of His Majesty, the King, will mean a large influx into England of tourists from all countries of the Empire, in which movement your ships on the Atlantic and Pacific, as well as those of the Canadian Australasian Line, will participate. Sight-seeing in the Orient is becoming increasingly attractive. The Ottawa trade agreements of 1932 continue to affect the ocean freight situation favourably and a moderate improvement is expected this year.

On the Atlantic, the "Empress of Britain" has brought prestige and popularity to the St. Lawrence route and the average carryings per round trip during 1934 were greater than in 1933, with higher average rates. While the world reputation of this ship has been justly attained by the high standard of her accommodation, you will be interested to learn that there is increased evidence of her popularity with Third Class passengers.

The "Empress of Britain" was designed to give the St. Lawrence route the highest standard of North Atlantic service in the summer, and in the winter to assume leadership among cruising vessels around the

world. The Atlantic success has been referred to, and it is pleasing to announce that this ship is now completing the most successful World Cruise in the history of the Company. Much credit is due to our representatives and agents throughout the world for the efficiency of the detailed arrangements incidental to the cruise. It involves the organization and operation of 37 special trains in such widely diversified countries as Palestine, Egypt, India, Malay States, Cambodia, China, Japan, and 54 major shore excursions covering periods of from two days to two weeks in the interior of the 25 overseas countries visited.

The "Empress of Australia" returned on April 24 from a most interesting and successful cruise to the Mediterranean, East and South Africa, South America, and the West Indies, and made a call at Tristan da Cunha, Britain's lonely isolated island settlement in the South Atlantic, where gifts from Their Majesties, The King and The Queen, of much needed supplies, were successfully landed. The visit was a source of much joy to the 172 inhabitants and of interest to the passengers.

Your Directors, in furtherance of the policy which has been steadily kept in view since the inception of the Company's Irrigation project in the Province of Alberta, have recently entered into a contract for the transfer of the Eastern Section to the Board of Trustees of an Irrigation District incorporated by a Special Act of the Legislature, the terms of the contract being sanctioned and validated by the Act of Incorporation. Your Directors are of the opinion that the terms of the agreement provide reasonable assurance for the success of the District and the development of an increasing body of traffic for your railway. The Company will transfer to the District that portion of its Irrigation project in the Province of Alberta, known as the Eastern Section, together with the existing land contracts and the unsold areas of land tributary to the system aggregating 1,200,000 acres, and pay $300,000 as a contribution towards the costs of maintenance and operation of the system during the transition period of two years from the date of the agreement. The District will assume all of the statutory and contractual obligations of the Company in respect of the maintenance and operation of the system and the delivery of water in perpetuity.

This year marks the 50th anniversary of the completion of your Company's transcontinental line, an historic event which sealed the Confederation Compact with British Columbia and saved that Province to the Dominion. The development and progress of the Canadian West were initiated by the construction of the Canadian Pacific. For these reasons it is fitting that I should refer to the intervening 50 years, which have been years of sustained service to the people of Canada.

No one can fairly deny the wisdom of the Parliament which in the early days committed the construction and completion of the first transcontinental line to a private company aided by moderate subsidies of land and money. The railway was pushed to completion five years earlier than the contract date. Under the terms of the original contract with the Government, it was provided that the Company "shall forever efficiently maintain, work and run the Canadian Pacific Railway." How the Company has so far carried out this obligation will be found in its record of steady growth and improved service. Not only has it implemented its contract obligation to the Government, but it has contributed in taxes from its own funds upwards of one hundred and thirty million dollars. The expenditures made by the Company since its incorporation in aid of immigration, land settlement, and development of natural resources

have amounted to $111,000,000. It has in many other ways contributed to the social welfare of the country, and in recent years has, to the full extent to which its resources have permitted, endeavoured to mitigate the hardships to workers and their families resulting from prevailing conditions. The results of its operations have been made the general yardstick for Canadian freight rates, which are perhaps the lowest in the world. This has been rendered possible only by the economic and efficient management of your properties, and has resulted in widespread benefits to the country at large.

We are emerging from a trying period of depressed traffic levels, which, for length and severity of incidence, has been unparalleled in the Company's existence. The exigencies of the depression have been met by careful readjustment of services and the exercise of stringent economy. Notwithstanding these conditions, your properties have been appropriately maintained and your Company is in a position, when traffic again returns in augmented volume, to continue to serve economically the country's needs. The oft-repeated maxim: "What is good for Canada is good for the Canadian Pacific"—evidenced so many times in the past, is equally true to-day.

The maintenance of your Company's position in the competitive field in recent years has, nevertheless, involved a severe strain on its resources. The unfairness of the railway situation was envisaged by the Drayton-Acworth Commission as early as 1917. The report of the Commission stated: "So long as competition is in the hands of other organizations also having to earn the interest on their bonds and striving to earn a dividend on their stocks the Canadian Pacific has no cause for complaint. But competition with railways operated by the Government stands on an entirely different footing." It recommended that the railways now constituting the Canadian National system be handed over to a Board of Trustees to control and manage on behalf and on account of the people of Canada. This the Government did not do. Lord Shaughnessy read the future even more accurately when he brought forward his consolidation proposals in 1917, and again in 1921. The Senate Committee, appalled at the mounting burden to be borne by the country due to the increase in the Canadian National deficits and expenditures, recommended a similar plan in 1925. The Duff Commission, in 1932, although it adopted co-operation rather than unification as the most expedient plan which in its view would meet the circumstances of the moment, did not fail to draw attention to the injustice the Canadian Pacific Railway had suffered under subsidized competition from a competitor which financed its operations with unlimited borrowing on the credit of the country. The aggregate of deficits of the Canadian National Railways has now reached a total which threatens the very solvency of our national finances.

The 1934 report of the Trustees of the Canadian National Railways outlines at length the inherent difficulties there are in carrying out the policy of co-operation which was made a statutory obligation on both railways by the Canadian National-Canadian Pacific Act, 1933. The statement points out that the total joint economies for co-operative projects to date amount to $1,093,000 only, a figure which is in striking contrast with some of the estimates which were given as to the savings that could be effected by this means. The technical difficulties and the amount of labour and expense involved in ensuring an equitable distribution of burden and advantage under the varying conditions of the different projects cannot be fully appreciated by those not familiar with the

intricacy of the problems. Only those who have had experience in keen competition, such as that which exists between the railways, can have full understanding of the difficulty of reaching and maintaining equitable arrangements to eliminate this competition even in a restricted area.

Your Directors have used all means within their power to improve the financial position of the Dominion and the Company through measures of co-operation with the Canadian National. Although we are convinced that the plan of co-operation has its obvious limitations, which make it an inadequate solution for the pressing financial drain on the public exchequer, we shall continue to co-operate until a more effective plan has been adopted.

In addition to the economies which have been put into effect, your officers have urged the adoption of plans for unifying the operation of the express and telegraph facilities of the two systems, for the common use of the best passenger terminals at Montreal to facilitate further pooling in the interest of maximum convenience to the public and maximum economy to the railways and for the pooling of the Montreal suburban passenger services. Your Directors are prepared to conclude agreements in respect to all of these projects on a basis which will equitably divide the burden and advantage between the two companies. Only in one instance, as the Trustees of the Canadian National Railways record, has this Company been unable so far to agree to proposals they have urged. This was in respect to the pooling of passenger traffic west of Toronto, which, as proposed, would have involved severing a long established and valuable traffic connection with an important American railroad. In this, and other respects, the problems in this territory are not of the same nature as those in the present pooled areas. The proposal offered only moderate savings, and your officers are of the view that, if adopted, it would undermine the very substantial rail and ocean steamship traffic which this Company has fostered to, from, and through this area, with consequent detriment to Canadian rail routes, Canadian hotels, Canadian ports and ships. In other words, there was danger of your Company losing traffic out of all proportion to the possible savings. Up to the present no plan has been devised which, in our opinion, could equitably divide the burden and advantage of pooling in the territory referred to, but the situation is being further explored.

Experience with co-operation strengthens the view that unification alone offers an adequate solution to the Canadian railway problem. No other plan can eliminate the tremendous waste caused by maintaining duplicate services in a country which can no longer afford to pay for this duplication. Unification would also offer a solution to the unfair and dangerous anomaly of a Government-owned enterprise engaging in direct competition with private capital. The solution of the railway problem on fair and sound lines will produce benefits to Canada far in excess of mere operating savings. The Canadian Pacific, in complete co-operation with the Canadian Government—for that is what unification means—can achieve infinitely more for the future welfare of Canada than can the two railway systems separately within the present working limits of their statutory authority.

Until a sound solution of Canada's railway problem is evolved—and it seems incredible that this will long be delayed—the future prospects of your Company must be viewed with guarded optimism. However, with the favourable turn in the world wheat situation which would appear probable, and a return of normal climatic conditions in the southern

prairies, I believe we may look forward with confidence to steady progress towards recovery from the effects of drought and the protracted depression, which have been accentuated by the competitive conditions to which reference has been made.

The numerous re-organizations and economies which your officers have instituted to meet the drastic traffic decline of recent years will carry forward into the future with beneficial results. There are many indications that the nation's productive organization has been strengthened, and moderate traffic increases should result. As stated, the clouds which have hung over the Canadian grain situation seem to be clearing up somewhat, and it is unthinkable that Canada will not continue to provide a measurable proportion of the world's grain requirements. The situation persists, however, that in a country where only 250 people are available to support each mile of railway there is not sufficient rail traffic to justify the maintenance of the present duplicate facilities and services. I cannot stress too strongly the necessity and desirability of Government policies being directed to the early return of a balanced budget and business confidence. Then only can a fair and reasonable return on the investments of your Company be permanently assured. The past railway policy of Governments has necessitated burdensome sacrifices, not only by those who have invested their savings in this Company, but also, indirectly, by all classes in the Dominion. Upon an adequate and sound solution of the railway problem will depend the ultimate standard of living of many thousands of the country's citizens.

54th ANNUAL REPORT OF THE C.P.R.

The accounts of the Company for the year ended December 31, 1934, show the following results:

Income Account

Gross Earnings	$125,542,954.89
Working Expenses (including pensions and taxes)	101,158,931.48
Net Earnings	$ 24,384,023.41
Special Income	6,663,793.03
	$ 31,047,816.43
Deduct Fixed Charges	24,578,025.55
Balance transferred to Profit & Loss and Surplus Revenue Account	$ 6,469,790.88

Profit and Loss and Surplus Revenue Account

Surplus Revenue December 31, 1933		$151,993,679.86
Balance of Income for the year ended December 31, 1934		6,469,790.88
		$158,463,470.74
DEDUCT:		
Provision for depreciation of Ocean and Coastal Steamships	$ 3,783,660.01	
Loss on lines abandoned, property retired and not replaced, and miscellaneous debits	4,767,089.78	
Provision for losses in respect of investment in lines in the United States controlled through stock ownership	4,000,000.00	
		12,550,749.79
Surplus Revenue December 31, 1934, as per Balance Sheet		$145,912,720.95

The operations for the year 1934 show an improvement in the balance available for transfer to Profit and Loss and Surplus Revenue Account, the increase being $5,212,630 over the year 1933.

Railway Operations

The results of railway operations in 1934 as compared with 1933 are set out below. The working expenses in both cases include pension disbursements, the figures for 1933 having been restated for this purpose.

	1934	1933	Increase
Gross Earnings	$125,542,954.89	$114,269,688.16	$11,273,266.73
Working Expenses (including pensions and taxes)	101,158,931.48	94,846,393.87	6,312,537.61
Net Earnings	$ 24,384,023.41	$ 19,423,294.29	$ 4,960,729.12

In 1934 the working expenses, including taxes, amounted to 80.58 per cent. of the gross earnings, as compared with 83.00 per cent. in 1933. Excluding taxes, the ratio was 77.34 per cent. as against 79.38 per cent. in 1933.

Gross earnings increased $11,273,266, or 9.9 per cent., there being in each month, with the exception of June, an improvement over the corresponding month of the previous year. The increase in passenger earnings was $878,960, or 6.2 per cent., and in freight earnings $9,681,060, or 11.3 per cent. There was a general increase in the principal classes of freight traffic, except grain and grain products which showed a reduction of $1,965,220, or 8.1 per cent., from 1933 to the lowest level of any year since 1914.

The working expenses increased $6,312,537, or 6.7 per cent. The major part of this increase was in maintenance expenses, which were $4,380,832 higher than in 1933. The main locomotive and car repair shops were operated an average of approximately three more days per month than in 1933. Transportation expenses increased $1,958,764, but the ratio to gross earnings improved, being 36.3 per cent. as compared with 38.2 per cent. in the previous year. An improvement took place in the average freight train loading from 1,515 tons in 1933 to 1,525 tons in 1934, and in the gross ton miles per train hour from 23,849 in 1933 to 24,062 in 1934. The fuel consumption remained at the same level as in 1933, viz., 112 lbs. per 1,000 gross ton miles.

The percentage of deductions from the basic rates of pay applicable to the officers and employees generally, as well as the higher percentages applicable to the senior positions and to the Directors' fees and President's salary, referred to in the last Annual Report, were continued throughout the year.

After careful review of the situation during the latter part of the year, your Directors approved a revision of the basis of deductions, effective January 1, 1935; the deduction in the case of officers and employees generally to be 12 per cent. until April 30, 1935, and thereafter 10 per cent., with the proviso that after July 1, 1935, in the case of employees whose wages are subject to agreement, thirty days' notice may be served by the Company or the employees of a desire to alter the percentage; for the senior positions the deduction is to be 15 per cent.; for the Directors and members of the Executive Committee 20 per cent.; and for the President 35 per cent.

Special Income

Special Income was slightly higher than in 1933. Cash dividends totalling $1,009,500 from The Consolidated Mining and Smelting Company of Canada, Limited, are included in the year's accounts. Owing largely to the rise in sterling during the year, there was a net charge to Exchange Account of $521,700 as against a credit of $432,669 in the previous year.

Although still affected by the unfavourable world traffic conditions the net earnings of your Ocean and Coastal Steamships increased $496,509. The Company succeeded in obtaining a substantial share of the business offering which could be served by its Atlantic and Pacific Fleets. In addition to a moderate increase in the regular services, extensive use was made of the vessels of the Atlantic Fleet for cruise purposes. The "Empress of Britain," in addition to making twelve round voyages on the Atlantic, and a short cruise out of New York, again made a successful voyage around the world. The service afforded by this ship has enabled the Company, in the face of most severe competition, to maintain a position in the shipping world which otherwise would not have been possible. The "Empress of France" and the "Metagama" were sold during the year. The "Minnedosa" was not commissioned. Other vessels were laid up for short periods for the usual annual overhaul and repairs. It is a source of satisfaction that no serious accident occurred to any of your ships during the year.

There was a further improvement in the net earnings of the Communications Department amounting to $179,174, and in the net earnings from Hotels of $449,683. Increased commercial and tourist business at your Hotels would seem to indicate that the tide has turned in this important branch of the Company's activities. The increased net earnings of the year serve to illustrate the improvement that may reasonably be expected as patronage returns to more normal levels.

Profit and Loss and Surplus Revenue Account

The full annual depreciation requirement of your Ocean and Coastal Fleets, amounting to $3,783,660, was appropriated for Steamship Replacement.

In the interests of economy the operation of a total of 119.72 miles of second main track on the Algoma District has been discontinued, and the rails and other material have been removed for use on other parts of the system. The necessary adjustments have been made in the Property Investment Account, resulting, after allowing for salvage, in a net charge of $2,736,798 to Profit and Loss and Surplus Revenue Account.

In view of the continued unfavourable results of the operation of your controlled lines in the United States, a sum of $4,000,000 was again appropriated to provide for the possible writing down of the investments in these properties in the future.

Land Surplus Account

Sales of agricultural lands during the year amounted to 120,355 acres for $1,334,343, an average of $11.09 per acre, including 4,554 acres of irrigated land at $43.19 per acre, and the remainder at an average of $9.82 per acre. The Company has continued, through the extension of special concessions, to share with land contract holders the burdens imposed upon them by economic conditions. Following a recent survey of Irrigation Areas, 263,744 acres heretofore classed as irrigated lands have been transferred to non-irrigated, entailing a reduction of $5,937,642 in Land Surplus.

Dividends

Notwithstanding the improvement in the results of the year's operations, your Directors feel that in view of the necessity, under the present unstable financial conditions, of preserving the cash position of the

Company they would not be justified in declaring any dividend in respect of the year 1934.

Pensions

Pension disbursements for the year totalled $1,842,300. These were included in the working expenses. During the year 322 employees were pensioned. The total number on the pension roll at December 31, 1934, was 2,591, distributed by ages as follows:

Under 60 years of age	85
From 60 to 64 years of age inclusive	231
From 65 to 70 years of age inclusive	1,107
Over 70 years of age	1,168
Total	2,591

Capital Expenditures

In anticipation of your confirmation, your Directors authorized Capital Appropriations, in addition to those approved at the last Annual Meeting, aggregating for the year 1934 $841,741. During the year 1934 the retirement of property exceeded the additions and betterments, with the result that investment in railway, rolling stock equipment, lake and river steamers and hotels decreased $3,492,380. Approval is requested for capital expenditures during the present year of $3,316,921. Particulars of the principal items are:

Replacement and enlargement of structures in permanent form	$ 130,307
Additions and betterments to stations, freight sheds, coaling and watering facilities and engine houses	146,806
Ties, tie plates, rail anchors, ballasting, ditching and miscellaneous roadway betterments	1,799,900
Replacement of rail in main and branch line tracks with heavier section	532,361
Installation of automatic signals	6,320
Additional terminal and side track accommodation	50,955
Additions and betterments to equipment	513,299
British Columbia Lake and River Steamers	6,000
Additions and betterments to hotels	38,452
Ocean and Coastal Steamships	19,972

Finance

Of the $12,000,000 Ten Year 5 per cent. Collateral Trust Gold Bonds which matured April 15, 1934, $11,945,300 were redeemed, and an amount of $54,700 was deposited with the Trustee to meet the outstanding bonds. The collateral to the issue, consisting of $15,000,000 par value Four Per Cent. Consolidated Debenture Stock, was released by the Trustee, and was cancelled.

There were issued and sold during the year $12,000,000 Convertible Fifteen Year 4 per cent. Collateral Trust Bonds, secured by pledge of Four Per Cent. Consolidated Debenture Stock of the par value of $15,000,000, the holders being given the right at any time up to and including July 2, 1941, to convert their Bonds into shares of the Ordinary Capital Stock of the Company in the ratio of four shares of the par value of Twenty-five Dollars each to each One Hundred Dollars principal amount of the Bonds. The proceeds of this issue were applied towards the repayment to Canadian Banks of $12,000,000 on account of the Five Year Notes, reducing the amount of such Notes outstanding to $48,000,000. Of the Four Per Cent. Consolidated Debenture Stock held by the Banks as collateral to the Notes, $19,999,700 par value was released and was cancelled.

Following the downward trend in interest rates on Bank deposits in Canada, the rate of interest on the Company's Five Year Notes held by

Canadian Banks was reduced on November 1, 1934, by ½ of 1 per cent. per annum, making the rate 4½ per cent. per annum.

Loans totalling $2,000,000 were obtained from United States Banks on January 2, 1934, on this Company's short term promissory notes, secured by $4,200,000 par value Four Per Cent. Consolidated Debenture Stock. These loans were repaid during the year, and the Debenture Stock was released and was cancelled.

Minneapolis, St. Paul and Sault Ste. Marie Railway Company

The territory served by this system was again visited by a severe drought, and the movement of agricultural products, its principal traffic, was adversely affected. On account of guarantee obligations, and to protect the Company's interests in this property, $4,895,083 was advanced to the Soo Line during the year.

Co-operation with Canadian National Railway Company

Pursuant to the provisions of the Canadian National-Canadian Pacific Act, 1933, extensive joint studies have been carried out by the Company and the Canadian National Railway Company for the purpose of effecting economies and providing for more remunerative operation. Effective at the beginning of the year the terminals at Fredericton, New Brunswick, were consolidated and the staffs amalgamated. The pooling of passenger train services originally put into effect in April, 1933, was extended in March, 1934, to include all the important competitive services between Quebec and Montreal, Montreal and Toronto and Ottawa and Toronto. After extended negotiations an understanding was reach as to the general principles to be applied in arriving at agreements for the elimination of duplicate lines. Agreements have been concluded in respect of two of these cases, and others are now in course of preparation.

In an effort to give further effect to the provisions of the Act, the two Companies prepared Bills authorizing the amalgamation of their Express and Telegraph services. These Bills failed to secure the approval of Parliament, but negotiations have been continued in the hope that some means may be found of overcoming the difficulties in the way of effecting the desired economies in connection with these services.

The total annual joint economy secured by the two Companies from the measures put into effect up to the end of 1934 is estimated to be $1,220,510.

Agreements

Your confirmation and approval will be asked of the following agreements made by your Directors during the past year:

1. Agreement between your Company and the Canadian National Railway Company, whereby the Canadian National is given the right to use that portion of the line of your Company between Dorval, Quebec, and Windsor Station, Montreal, in connection with the operation of the passenger pool trains between Montreal and Toronto.

2. Agreement between your Company and the Canadian National Railway Company, whereby the freight and passenger facilities and staffs of both companies at Fredericton, New Brunswick, are amalgamated. All freight traffic is handled by a joint staff on the freight facilities of the Canadian National, the cost of operation being divided on a tonnage basis; and all passenger traffic is handled by a joint staff at your station, each company bearing one-half of the cost of operation.

3. Agreement between your Company of the first part, the Canadian National Railway Company of the second part, and the Stanstead, Shefford and Chambly Railroad Company of the third part, whereby the Canadian National is to abandon the operation of the line of the Stanstead Company between Iberville and Farnham in the Province of Quebec, and is to use jointly the line of your Company between these points, paying such amounts and contributing such proportion of the cost of operation and maintenance of your line as will result in an equal division of the net economy resulting from the abandonment.

4. Agreement between the Canadian National Railway Company of the first part, your Company of the second part, and the New Brunswick Railway Company of the third part, whereby your Company is to abandon the operation of the line of the New Brunswick Company between Cyr Junction and Edmundston in the Province of New Brunswick, and is to use jointly the line of the Canadian National between these points paying such amounts and contributing such proportion of the cost of operation and maintenance of the Canadian National line as will result in an equal division of the net economy resulting from the abandonment.

Stock Holdings

The holdings of the Ordinary and Preference Stocks of the Company in December, 1934, were distributed as follows:

	Ordinary		Preference		Percentage of Ordinary and Preference Stocks combined
	No. of holders	Percentage of Stock	No. of holders	Percentage of Stock	
Canada	30,202	17.26	78	.27	12.23
United Kingdom and other British	21,391	52.50	27,653	98.07	65.99
United States	16,603	24.40	34	.58	17.35
Other Countries	4,545	5.84	202	1.08	4.43
	72,741		27,967		

The Directorate

The Directors deeply regret to report the loss by death during the year of two members of the Board, Mr. W. J. Blake Wilson, of Vancouver, who passed away in June, and Mr. Grant Hall, of Montreal, who died in August.

Mr. Wilson had been a Director of the Company for seven years, and Mr. Hall, who had served continuously in official positions of progressive importance from the time of the Company's incorporation, had since 1918 been its senior Vice-President and a member of the Board and of the Executive Committee.

Mr. D'Alton C. Coleman was appointed to succeed the late Mr. Hall as Vice-President and as a Director and member of the Executive Committee, and the vacancy created by Mr. Wilson's decease was filled by the appointment of Mr. Morris W. Wilson, President of The Royal Bank of Canada.

The following Directors will retire from office at the approaching Annual Meeting. They are eligible for re-election: Colonel Henry Cockshutt; Sir Herbert S. Holt; Colonel F. S. Meighen, C.M.G.; Mr. Robert C. Stanley.

Your Directors desire again to express their grateful appreciation of the unfailing loyalty and devotion to the Company's interests shown by the officers and employees of all classes.

For the Directors

E. W. BEATTY,
President.

Montreal, March 11, 1935.

BOARD OF DIRECTORS

MR. EDWARD W. BEATTY	Montreal
MR. W. A. BLACK	Montreal
COL. HENRY COCKSHUTT	Brantford
MR. D. C. COLEMAN	Montreal
SIR CHARLES GORDON, G.B.E.	Montreal
MR. JOHN W. HOBBS	Toronto
SIR HERBERT S. HOLT	Montreal
RT. HON. REGINALD McKENNA	London, Eng.
MR. ROBERT S. McLAUGHLIN	Oshawa
MR. ROSS H. McMASTER	Montreal
COL. FRANK S. MEIGHEN, C.M.G.	Montreal
SIR EDWARD R. PEACOCK, G.C.V.O.	London, Eng.
MR. JAMES A. RICHARDSON	Winnipeg
RT. HON. LORD SHAUGHNESSY, K.C.	Montreal
MR. ROBERT C. STANLEY	New York
MR. W. N. TILLEY, K.C.	Toronto
MR. MORRIS W. WILSON	Montreal

EXECUTIVE COMMITTEE

MR. EDWARD W. BEATTY
MR. D. C. COLEMAN
SIR HERBERT S. HOLT
MR. W. A. BLACK
SIR CHARLES GORDON, G.B.E.
MR. W. N. TILLEY, K.C.

General Balance Sheet

December 31, 1934

Assets

PROPERTY INVESTMENT:		
Railway, Rolling Stock Equipment, Lake and River Steamers and Hotels	$ 867,434,589.26	
Ocean and Coastal Steamships	111,887,174.48	
Acquired Securities (Cost)	184,267,612.77	
		$1,163,589,376.51
ADVANCES TO CONTROLLED PROPERTIES AND OTHER INVESTMENTS		23,497,429.64
INVESTMENTS AND AVAILABLE RESOURCES:		
Municipal Securities (Cost)	$ 6,551.94	
Mortgages Collectible and Loans and Advances to Settlers	3,488,558.69	
Miscellaneous Investments (Cost)	34,125,248.03	
Insurance Fund Investments	8,245,215.58	
Deferred Payments on Lands and Townsites	46,907,819.72	
Assets in Lands and Properties	46,548,539.30	
		139,321,933.26
WORKING ASSETS:		
Material and Supplies on Hand	$ 16,158,263.34	
Insurance Prepaid	249,227.14	
Agents' and Conductors' Balances	4,952,407.12	
Net Traffic Balances	510,118.78	
Accounts due from Dominion, Imperial and United States Governments	611,586.01	
Miscellaneous Accounts Receivable	5,839,210.55	
Cash on Hand	18,369,030.00	
		46,689,842.94
		$1,373,098,582.35

Liabilities

CAPITAL STOCK:		
Ordinary Stock	$ 335,000,000.00	
Four Per Cent. Preference Stock	137,256,921.12	
		$ 472,256,921.12
FOUR PER CENT. CONSOLIDATED DEBENTURE STOCK	$ 495,911,848.74	
Less: Pledged as collateral to bonds and notes	204,500,300.00	
		291,411,548.74
BONDS AND NOTES	$ 189,543,000.00	
Less: Securities and cash deposited with Trustee of 5% Equipment Trust	5,349,005.81	
		184,193,994.19
TWENTY YEAR 4½% SINKING FUND SECURED NOTE CERTIFICATES (1944)	$ 30,000,000.00	
Less: Purchased by Trustee and cancelled	9,161,300.00	
		20,838,700.00

Liabilities—*Continued*

CURRENT:		
Audited Vouchers	$ 4,088,764.67	
Pay Rolls	2,402,924.32	
Miscellaneous Accounts Payable	2,208,364.16	
		8,700,053.15
ACCRUED FIXED CHARGES		1,488,062.26
DEFERRED:		
Dominion Government Unemployment Relief	$ 2,447,222.71	
Miscellaneous	318,674.31	
		2,765,897.02
RESERVES:		
For Equipment Replacement	$ 8,244,657.87	
For Steamship Replacement	35,185,167.13	
For Insurance	8,245,215.58	
For Contingencies and unadjusted balances	9,979,417.07	
For Investments	12,000,000.00	
		73,654,457.65
PREMIUM ON CAPITAL STOCK SOLD (Less discount on bonds and notes)		67,169,052.46
LAND SURPLUS		104,707,174.81
SURPLUS REVENUE		145,912,720.95
		$1,373,098,582.35

E. A. LESLIE,
Comptroller.

AUDITORS' CERTIFICATE:

We have examined the Books and Records of the Canadian Pacific Railway Company for the year ending December 31, 1934, and having compared the above Balance Sheet therewith, we certify that in our opinion it is properly drawn up so as to show the true financial position of the Company at that date, and that the statements of Income and of Profit & Loss and Surplus Revenue correctly set forth the result of the year's operations.

PRICE, WATERHOUSE & CO.,
Chartered Accountants, (England).

Montreal, March 8, 1935.

CANADIAN PACIFIC RAILWAY COMPANY

PRESIDENTIAL ADDRESS OF SIR EDWARD BEATTY, G.B.E. AT THE 55th ANNUAL MEETING*

AND

REPORT FOR THE YEAR ENDED DEC. 31, 1935

The 18th Annual Address of Sir Edward Beatty

Before proceeding with the business on the agenda, it is fitting that reference should be made to one of the most important events in world affairs since your last meeting—I refer to the death of His late Majesty King George V.

How secure in history is the place of this great man, this modest gentleman, this devoted servant of his Empire and father of his people, it is not necessary for anyone to proclaim. The fact was demonstrated clearly by the wave of sorrow, of admiration, and of genuine human sympathy for his beloved widow and family which passed over all the civilized world, and which was manifested in touching tributes from all peoples and, most especially, from our great neighbour on this Continent.

The stable institutions of our Empire have provided for the automatic succession to the Throne of his son, our present Sovereign, His Majesty King Edward VIII. His Majesty is more familiar with all parts of his world-wide Empire than any of his predecessors, and it is our great pride in Canada to feel that in peace and war his connections with this Dominion have been particularly close. His many visits to this country, and the personal contacts of thousands of Canadians with him give us a special feeling of affection for the personage who now occupies our ancient Throne, and symbolizes in himself the union of the Empire in which we are proud to claim membership. We take this opportunity of offering to His Majesty the respectful assurance of our steadfast loyalty and devotion.

The results of the Company's operations for the year 1935 have been fully portrayed in the Annual Report, which has been distributed. They reflect a progressive, though disappointingly slow, return to more normal conditions. The general recovery which became apparent during 1934 was scarcely maintained during the first eight months of 1935, but thereafter the advance was resumed, and has continued during the first four months of the current year. The improvement in Canadian business since the beginning of the year will, it is hoped, be followed by more normal production and shipment of grain in the autumn.

The gradual recovery of trade in the country is recorded in the 3.3 per cent. increase in the gross earnings of the Company. Working expenses increased by 6.1 per cent. and net earnings declined by $1,986,499. As noted in the Annual Report, the increase in working expenses was largely attributable to the extra work undertaken in the main locomotive and car shops, owing to the Company's participation in the Government's programme to provide increased employment, and to the revision of the

*NOTE.—Annual Meeting, May 6, 1936, at Montreal.

scale of deductions from basic rates of pay. Apart from these two items, the increase in working expenses amounted to but 2 per cent. The improvement in transportation indices which occurred during the year is recorded in the Report.

It is trite to point out that your Company is dependent on the economic condition of the staple industries tributary to its lines. The increase in gross earnings, which has been referred to, is definitely traceable to improvement in mining and lumbering operations, to the increase in newsprint and petroleum production, and to more active conditions generally in manufacturing centres. The tonnage movement of mining products increased 4.2 per cent., in conformity with the expansion experienced by this industry during the year. The all-time production record achieved by newsprint producers in 1935 was an important contributory factor in the 3.4 per cent. gain in the tonnage of forest products moved over your Company's lines. The general improvement in manufacturing and miscellaneous industries was reflected in a 5.7 per cent. increase in the rail movement of their products.

In striking contrast to these increases, declines were recorded in the movement of livestock and agricultural products which normally form such an important part of the traffic of your Company. The receipts from the movement of agricultural products during the year were only a little in excess of $27,000,000. They were less than in any year since 1914 and less than one-half of the peak figures of 1928—facts which must be emphasized in any accurate appraisal of the Company's position. The principal factor in this decline was diminished revenues from the grain movement. For the third successive year, Western Canada produced a wheat crop of much less than average proportions. The Dominion Bureau of Statistics has officially set the figure at 259,000,000 bushels, which compares with an average of 367,000,000 bushels during the previous ten years. The autumn movement of wheat, while slightly larger than during the previous year, was not sufficient to offset the reduction caused by the small export demand during the first half of the year. Some satisfaction can be derived from the fact that the succession of severe droughts experienced during tne last few years in the southern portion of the prairies was interrupted in 1935, even though a widespread epidemic of rust, which developed in midsummer, followed by extensive frosts, had a very damaging and disappointing effect on crops which had shown excellent prospects in the late spring and early summer.

Latest reports from Western Canada indicate favourable soil conditions and, with a continuation of the present active export demand, it is reasonable to hope that the total grain movement will be substantially greater than for some years past. International commerce in wheat is an intricate business, dependent on climatic conditions throughout the world and inseparably related to the political and fiscal policies of the nations. With every realization of the dangers and difficulties in the way, it is possible to record temperate optimism concerning the outlook. By reason of the smallness of the crops in Canada and other exporting countries, our carryover of wheat into the next crop year promises to be greatly reduced. The theory of world overproduction of wheat appears to have been thoroughly discredited, and, as in the past, faith in the sound position of Canadian agriculture seems to be fully justified.

The downward trend in the importance of passenger revenue in relation to gross earnings has continued. Passenger fares are a live topic of discussion in Canada and the United States as a result of the recent order issued by the Interstate Commerce Commission requiring eastern railways

subject to its jurisdiction to make drastic reductions in basic passenger rates effective June 2, 1936. The argument has been advanced that such a revision is required in order to bring traffic back to the railways. However, there is a great difference of opinion among railway officers as to what is the economic level for these rates. It will, no doubt, be necessary for Canadian railways to meet competitive rates established by United States carriers, but it is hoped, in conjunction with the Canadian National Railways, to adopt a policy with respect to rates in Canada which will protect and, if possible, increase the net revenues of the railways. The first step in this policy is being taken on June 1, 1936, when new experimental rates at lower levels will be put into effect.

"Other Income" for the year amounted to $8,145,494, an improvement of $1,481,701 over 1934. The major portion of this betterment is accounted for by an increase of $1,177,750 in the cash dividends received from The Consolidated Mining and Smelting Company of Canada, Limited. Your investment in that Company, consisting of 336,500 shares having a par value of $8,412,500, remained unchanged during the year. It represents a 51.6 per cent. interest, and is carried on the General Balance Sheet under the caption Miscellaneous Investments at cost, as indicated in the Report, and not at par value as some analysts in newspaper comment have inferred. The cost, $17,046,561, represents an average of $50.66 per share, compared with $205.00, the closing quotation for the stock on the Montreal Stock Exchange on December 31, 1935. Since the close of the year there has been a further appreciation in the market quotations of this stock, the price, on April 30, being $256.00.

Fixed charges for the year amounted to $24,159,938, a decrease of $418,087 from last year.

After payment of all operating expenses, taxes and fixed charges and accrual of full annual provision for depreciation of your ocean and coastal steamships, the balance of Income Account available for transfer to Profit and Loss Account was $2,832,083, an increase of $145,953 over the comparable figure for the previous year.

In view of misunderstandings apparent from comments on the Report, particularly in certain publications in Great Britain, it is desirable to review the nature of charges made against Profit and Loss Account during the year. Charges for "Loss on lines abandoned and on property retired and not replaced" amounted to $4,692,085. As explained in the Annual Report, an active policy of retiring unprofitable and excess property in order to secure more remunerative operations was followed during the year. While such a policy involves the writing down of the Company's assets and a corresponding reduction in the Profit and Loss balance on the General Balance Sheet, no cash disbursement is entailed. As a matter of fact, the economies effected through these abandonments and retirements will result in an improvement in cash returns. Thus the action taken must be regarded as favourable, rather than unfavourable, to your interests. The railway industry has in the last few years been subject to greater changes than at any time in the past. While it is impossible to say how much more property will eventually be affected, I think it will be agreed that the policy of reducing expenses by this means should be continued wherever possible. The item "Miscellaneous—Net Debit" represents other adjustments not applicable to the year's results, comprising largely items in which no cash disbursements are involved. Obviously, it is unnecessary to consider either of the charges mentioned in connection with dividend policy.

The situation is somewhat different with regard to the further appropriation of $4,000,000 made in 1935 for possible losses in respect of investment in lines in the United States controlled through stock ownership. It might not be amiss, therefore, to examine in detail the position of these United States companies. As pointed out at the last Annual Meeting, your investment in them is carried on the books of your Company at less than the book equity computed from their respective balance sheets. This condition still exists. The only material change during the year in the amount of this investment arose from the additional advances made to the Minneapolis, St. Paul and Sault Ste. Marie Railway Company, reference to which was made in the Annual Report.

Four principal companies are involved, a description of and comment on each of which follows:

The Aroostook Valley Railroad Company owns and operates an electric railway 32 miles in length in the State of Maine, connecting with the line of your Company at Washburn Junction. Your Company's control of this line enables it to participate to a substantial extent in the movement of the potato crop of Northern Maine. As shown in the Annual Report, your Company has guaranteed the interest on approximately $736,000 of Aroostook Valley bonds, but this road is in good financial condition and has been meeting its interest obligations regularly. During the past two years, its net earnings have been sufficient to pay dividends. There is no indication that it will require any financial assistance from your Company.

The Minneapolis, St. Paul and Sault Ste. Marie Railway Company (Soo Line) owns 3,204 miles of railway line (including 26 miles jointly owned with other companies) in the states of Michigan, Wisconsin, Minnesota, Montana, North Dakota and South Dakota, connecting with the lines of your Company at Sault Ste. Marie, Ontario, at Emerson, Manitoba, and at North Portal, Saskatchewan. Including trackage rights, it operates 3,249 miles of line. While the importance of this line in relation to your Company's operations has diminished considerably during the last twenty years owing to material changes particularly in the flour milling industry in the United States, nevertheless there still remains a considerable interchange of motor fuel, paper, lumber and machinery. It is also a valuable link in the movement of high class tourist traffic between Eastern and Central United States and the Rockies and Pacific Coast. The table of Contingent Liabilities included in the Annual Report shows that at the end of last year the obligations of your Company with respect to the securities of the Soo Line consisted of a guarantee of principal and interest on a balance of $575,000 due the Railroad Credit Corporation, which will be paid off in 1936, and guarantees of interest amounting to $4,174,650 per annum until 1938, when guarantees of interest amounting to $2,681,320 per annum expire. As stated in the Annual Report, the advances made to the Soo Line in 1935 amounted to $4,910,085, which enabled it to meet its interest charges and also to redeem $825,000 of notes issued in 1932 to the Railroad Credit Corporation which had been guaranteed by your Company as to both principal and interest. While it is expected that further assistance will be necessary, it is hoped that it will be in diminishing amounts. It is impossible at this time to determine how much of these advances will be recovered. Gross revenues of the Soo Line have been at a very low level during the past five years. The territory it serves has been affected by droughts and rust infection even to a greater extent than Western Canada. This has not only curtailed revenues from products of agriculture, but has restricted the entire business activity of the

district. The loss in revenues has been relatively greater than the loss of most carriers in the United States. The earnings of the Soo Line in 1935 were 46 per cent. of the earnings for 1929, as compared with 55 per cent. for all Class I Roads. Revenues, which were $29,100,000 in 1929, reached a low point of $12,600,000 in 1932 and were approximately $13,400,000 in 1935. The financial condition of the Company has suffered accordingly.

The annual grain crop harvested and subsequently shipped to market over the Soo Line during the decade 1915-1924 reached a maximum of 83,500,000 bushels and was never less than 28,500,000. During the decade 1925-1934, the comparable figures were:

Year	Bushels	Year	Bushels
1925	55,400,000	1930	41,600,000
1926	30,600,000	1931	12,100,000
1927	54,100,000	1932	24,500,000
1928	56,800,000	1933	17,300,000
1929	32,900,000	1934	10,100,000

It is estimated that the corresponding figure for 1935 will be approximately 26,000,000 bushels. A large part of the increased movement from last year's crop will only be reflected in 1936 earnings. It will be manifest that the major factor required to stabilize earnings of the Soo Line at a higher level is a return of normal crop conditions. Latest reports at hand indicate some improvement in 1936 soil conditions in its territory. However, notwithstanding the expected improvement in earnings, the large maturities of bonds in 1938 create a very serious financial problem for the Soo Line, which is being carefully followed by your Directors in order to protect the investment of your Company and reduce the cash drain resulting from its guarantees.

While your Company has no direct investment in the Wisconsin Central Railway Company, a discussion of the Soo Line is not complete without reference to that Company. The Wisconsin Central owns 1,014 miles of railway line (including 16 miles owned jointly) in the states of Illinois, Michigan, Minnesota and Wisconsin. To gain entrance into the City of Chicago, the Soo Line leased the properties of the Wisconsin Central on April 1, 1909, for a term of 99 years. Voting control of the Preferred Stock of the Wisconsin Central was acquired by the Soo Line through exchange of its 4 per cent. Leased Line Certificates for a majority of such Preferred Stock. On December 2, 1932, a Receiver for the Wisconsin Central was appointed by the United States District Court for the District of Minnesota. Since December 3, 1932, the Soo Line has operated the properties of the Wisconsin Central as agent for the Receiver under an operating agreement which is subject to termination at any time by order of the Court or upon thirty days' written notice by either of the parties. A controversy has arisen as to whether the lease of April 1, 1909, has been terminated, but this has not been finally settled. The position of the Soo Line is that no further obligations exist with regard to the operation of this railway under the lease referred to. The Soo Line has guaranteed interest on $5,816,000 of bonds of the Wisconsin Central.

The story of the gross revenues of the Wisconsin Central is similar to that of the Soo Line. From $19,500,000 in 1929, they declined to a low point of $9,400,000 in 1933, from which they increased to $10,400,000 in 1935. The improvement which has taken place is encouraging, but there will have to be still further improvement before a successful plan of reorganization can be concluded. Apart from advances which the Soo Line may have to make on account of its guarantee of interest aggregating

$232,640 per annum, it is not anticipated that the Wisconsin Central will require further financial assistance.

The Spokane International Railway Company owns 139 miles of railway line in the states of Washington and Idaho, connecting with the line of your Company at Kingsgate, British Columbia. Through its connections, it provides your Company with access to the Northwestern States and the Pacific Coast. The principal freight traffic interchanged comprises coal, forest products, fruits and vegetables. Since August 28, 1933, its properties have been operated by a Trustee appointed under an Act of Congress passed for the purpose of facilitating railroad reorganizations by giving due weight to the claims of the holders of all classes of securities while at the same time reducing delays and excessive expenses previously experienced. The Trustee operates 163 miles of line, including trackage rights and also including the property, 20 miles in length, of the Coeur d'Alene and Pend d'Oreille Railway Company, leased to the Spokane International for 50 years from July 1, 1910. The Spokane International has guaranteed principal and interest of $544,000 of bonds of the Coeur d'Alene and Pend d'Oreille Railway Company. There has been a progressive improvement in the results of operation of the Spokane International since the low point reached in 1932. The income deficit before fixed charges in 1935 was $14,858, a reduction of $38,461 from 1934. The Trustee has expressed hope of a moderate increase in business in 1936 and of some benefits from improved trade relations resulting from the recent agreement concluded between the United States and Canada. Your Company has not made any advances to the Spokane International since the Trustee was appointed. A reorganization of this property is contemplated as soon as earnings have shown sufficient sustained improvement to ensure the successful completion of such a plan. In the meantime, no further advances are likely to be required.

The Duluth, South Shore and Atlantic Railway Company (South Shore) owns 448 miles of railway line in the states of Michigan and Wisconsin, connecting with the line of your Company at Sault Ste. Marie, Ontario. Including trackage rights, it operates 550 miles of line and owns a dock at Marquette in the state of Michigan. Its principal traffic consists of ore and lumber. The direct interchange with your Company is not large, but it also serves as a feeder to the Soo Line. Your Company, as shown in the Annual Report, has guaranteed payment of an amount sufficient to meet principal instalments and interest on $781,000 First Mortgage 5 per cent. Bonds of the South Shore Dock Company, maturing serially to 1945, which were issued to finance in part the construction of the dock property at Marquette.

For some years prior to 1930, the earnings of the South Shore had been sufficient to pay all interest to other parties. It was not regularly paying interest to your Company, but it was able to finance its capital expenditures from its own resources. The result was that no advances were outstanding at that time. Subsequently the gross revenues of the South Shore declined even to a greater extent than those of the Soo Line, but the recovery has also been relatively greater. In 1929, they were $4,900,000, while, in 1932, they were only $1,600,000. From this low point, they have improved to some extent and totalled $2,300,000 in 1935. In 1930, the surplus of net income before interest was only nominal. In the three years 1931, 1932, and 1933, there were deficits before interest, the highest being $575,000 in the year 1932. Since that year there has been an improvement, and, in 1935, the net income of $375,000 was considerably more than the amount necessary to meet interest payable to

security holders other than your Company. In the interval between 1929 and the present time, $403,000 was advanced to the South Shore towards the construction of the new dock at Marquette and $320,000 to meet maturing Equipment Trust obligations and interest payments. If the progress which has been made by the South Shore continues, repayment of these amounts can be reasonably expected. However, bonds aggregating $5,400,000 maturé in 1937, and it may be desirable to effect reorganization with a view to simplifying the capital structure. Whether this is proceeded with or not, your Company should not be required to extend any further assistance to the South Shore and, in fact, should receive remittances either in repayment of advances or on account of interest on your Company's security investment.

Having regard to all the circumstances concerning these Companies, it was again considered desirable to reserve $4,000,000, the same amount as in each of the last three years, for the future writing down of your Company's investments therein. It is expected that the amount to be written off against this reserve will largely consist of adjustments in the costs of the equity stocks acquired prior to the time when the first of these appropriations was made. In the event of reorganization of the South Shore, an adjustment in the amount of your security investment may also result. It is impossible at this time to determine the amount of the final adjustments. For these reasons, the appropriations which have been made have been considered to be of an extraordinary nature chargeable against Profit and Loss and not against Income Account. Nevertheless, your Directors have felt that the necessity for making further advances to the Soo Line cannot be ignored in determining dividend policy.

At the last Annual Meeting, you were informed of the considerations which influenced your Directors in deciding that they would not be justified in declaring any dividend on the Preference Stock for the year 1934. While the operations for the year 1935 resulted in a slight improvement and the Company was able to transfer $2,832,083 from Income Account to Profit and Loss Account, it was a matter of regret to your Directors that after reviewing all the relevant factors they did not feel justified in making any dividend declaration in respect of the year under review. It is hoped that, with general improvement in business conditions which now seems to be under way, and with a betterment in Western agricultural conditions, a resumption of dividends at least in respect of the preference shares will be possible in the near future. Some preference shareholders have enquired as to whether the Directors would await a return to conditions which would permit payment of a full 4 per cent. on the preference shares before declaring any dividends. It will be the policy of the Directors to re-establish a dividend on such stock in whole or in part at the earliest possible date consistent with prudent administration.

The results of the first quarter of 1936 recently published show an increase of $2,800,000, or 10.8 per cent. in gross earnings and an increase of $726,000, or 34.5 per cent., in net earnings. Freight earnings show an increase of 12.0 per cent. and passenger earnings an increase of 5.0 per cent. There has been a general improvement in the movement of most commodities during this period. Earnings from grain, newsprint and coal have shown marked increases.

Expenses for the first quarter of 1936 increased $2,100,000. Approximately one-third of this increase resulted from the increased volume of traffic handled. The remainder was due to increased maintenance expenses and to the fact that in the corresponding period of 1935 the deductions

from basic rates of pay were 12 per cent., whereas this year they were 10 per cent. This difference will cease with the April accounts, as the 10 per cent. deduction became effective on May 1, 1935.

Maintenance of Way expenditures were slightly higher than a year ago, owing to two causes—first, heavy snow removal expenses by reason of the extreme winter conditions prevailing in Eastern Canada during February and the early part of March, and secondly, the unusually warm weather in the latter part of March which caused rapid melting of snows with resultant high water in several sections. Fortunately, the property damage was not extensive, although services to Saint John and Boston were interrupted for a short period.

Maintenance of Equipment expenditures increased approximately $900,000. In January, the main locomotive and car shops were operated an additional three days to complete the arrangement agreed upon with the Dominion Government for the relief of unemployment under which the Company undertook to expend $1,270,000 on equipment repairs in advance of the time when the work would otherwise have been done. In February and March, the shops worked two days less than in January, but this was one day more than in the same months in 1935. In order to complete the work of air-conditioning sleeping, parlour and observation cars for use in transcontinental and international services in time for the summer traffic, it has been necessary to work the Angus passenger shop for the full time permitted by the deliveries of material. Equipment in passenger cars to give a supply of filtered and heated or cooled air has become an accepted standard for long-distance passenger travel. Your Company's programme for the current year calls for the equipment of 129 cars of the classes referred to. A few cars for special purposes are being equipped with compression refrigerating units, but, on account of the moderate summer temperatures in Canada and the abundant supply of relatively inexpensive ice, the majority of cars will be fitted with ice cooling units at a lower cost.

Another development in connection with passenger cars has been the trend in recent years towards construction of lighter units to effect reductions in operating costs through the haulage of reduced tonnage. Weight is saved either by refinement of design or by the use of special lighter and stronger materials. The use of standard materials with refinement of design has the advantage of some reduction in first cost. To explore the possibilities of this method, your Company now has under construction sixteen passenger cars, sufficient for four complete trains to be used in local service. Each of these units represents a saving of approximately 30 per cent. of the weight of standard passenger cars of the same type.

It is satisfactory to record that as the outcome of meetings held recently in Europe the long standing differences of opinion among the Atlantic steamship operators with respect to the appropriate passenger rate classification of ships have been composed. This adjustment has involved the abolition, for the present at least, of the long established First Class designation on the Atlantic.

In ocean cruise activities, the Company's prestige is upheld in a splendid manner in the many world ports in which its flag is flown. Evidence continues to reach us of the excellent impression made upon South Africans by the recent calls at Cape Town and Durban of the "Empress of Britain," the largest and finest passenger ship ever docked in the ports of our sister Dominion.

The financial transactions of 1935 are outlined in the Annual Report. It will be recalled that in 1933, owing to the fact that the money markets of London, New York and this country were closed to ordinary financing, arrangements were made whereby a syndicate of Canadian banks advanced to your Company $60,000,000 to meet obligations maturing in 1933 and 1934. This loan was secured by pledge of Consolidated Debenture Stock aggregating $100,000,000, but, in view of the uncertain financial conditions then existing, it was considered necessary that the banks be further protected by the guarantee of the Dominion Government. $12,000,000 of this loan was retired in the year 1934, and I am glad to be able to advise you that since the close of the year 1935 the remainder of the loan has been refunded at lower interest rates through the sale of securities of your Company of various maturities up to fifteen years. It is a matter of justifiable pride that the Company once more has been able—entirely without cost to the Dominion of Canada—to meet its own obligations and release the Government from its contingent liability.

Some comment was occasioned with regard to the proposal to seek authority for the issue of $65,000,000 of ordinary capital stock before the full explanation contained in the Annual Report was generally circulated. As it may be desirable to continue the policy followed in recent years of issuing convertible bonds, the holders of which are given the right for a certain period to convert their securities into ordinary capital stock of the Company, and as under existing conditions the issue of such convertible bonds offers advantages to both the Company and the investor, you will be asked to approve a special resolution authorizing the issue of additional stock which will be available for such purposes.

This review would not be complete without some reference to the general railway situation in Canada, which has not changed materially since a year ago. Your Company, and indeed all railways on this continent, are being subjected to increasing competition from highway transport. It cannot be doubted that the motor vehicle has a permanent place in our economy, but it is equally true that the railroad has not been supplanted as the most important element in the transport field. It would appear that the proper function of the motor vehicle is to serve as a supplement to rather than as substitute for railroads.

Highway transportation of freight, in its present form, has suffered from acute internal competition and cannot be regarded generally as a proven economic enterprise. Until a reasonable degree of stability is secured, your management would not feel justified in undertaking large scale measures of co-ordination.

It should be emphasized that the railways do not fear legitimate and fair competition from this source. They, being regulated, do protest against unsound competition from a source which is virtually unregulated, and which is not called upon to pay its full share of the cost of highways upon which it operates.

This Company has done much to meet this competition by the introduction of new tariffs affording reduced rates, and at the same time providing free pick-up and delivery service. The speeding up of freight trains has contributed greatly to the quality of railway services. The results so far have been encouraging, but it is perhaps too early to say just how far these experiments may profitably be carried.

As a result of the recent Interprovincial Conference, a Special Committee has been appointed to study the whole matter of regulation of

highway transport, and it is to be hoped that their deliberations will assist greatly in the solution of this difficult question. The Canadian National Railways and your Company have co-operated in the formation of a Standing Committee of the Railway Association of Canada, the function of which is to study the legislative aspect of the problem and to carry on a campaign of education in which the position of the railways will be made known to the governments and the public.

An equally menacing form of competition to Canadian railways is to be found in subsidized waterways. Operators on these, who at one time were primarily occupied in moving bulk products, are increasingly encroaching on package and other freight. It is hoped that the Government will give active consideration to plans for making inland waterways self-supporting.

The development of the methods of transportation which compete with rail services has been very largely the result of large public expenditures made without any real consideration of the economic consequences. The railways are naturally interested in corrective measures, but it should not be forgotten that the interest of the taxpayers in the sound financial policies of public authorities is even more pressing.

Many and varied misconceptions exist as to the nature and effect of the plan for unified management of the two major railway systems which I have advocated as a means of relieving the country of its railway burden. Some have thought the plan would inflict hardship upon railway workers. A wisely controlled and humanely managed programme gradually applied would bring about substantial immediate savings that would steadily increase without detriment to railway labour until, in the course of a few years, the full benefit of this policy would be obtained. More general appreciation of the effectiveness of the safeguards which may be employed to prevent hardship will eventually result in a common understanding of the mutual interest of taxpayers, shareholders, management and men in placing the railway industry on a solid economic foundation.

Some have feared that under unified management the railways would become indifferent to the needs of shippers and communities. The protection of the public interest in this respect can be safely left to a regulatory body appointed by the Parliament of Canada with adequate powers for the judicial determination and enforcement of proper action. It must not be overlooked that highways, waterways, and airways, as well as competing railways in the United States, would continue to provide competition and set standards which a unified management could not ignore.

Some advance objections without mature thought. A paper recently stated that "consolidation is a defeatist's solution" and went on to claim that it was the existence of competition which "produces the huge business now being carried by our two railways each year." Actually, competition for traffic between railways consists of competition in service to split existing traffic. It makes the task of co-ordination with highway transport more difficult. To extend the competition which now exists between the railways to operations which it may be necessary for them to undertake on the highways would further accentuate the wasteful condition that now prevails. The elimination of competition on rails would enable the railways to follow a sound policy in respect of co-ordination with other forms of transportation and thereby increase the volume of railway traffic. This was the experience of the railways in Great Britain, where the adoption of a unification programme enabled them to co-

ordinate their services with highway transportation in such a manner as to bring about a material increase in railway traffic with resultant benefit to the railway companies, their patrons, and employees.

Some hoped that co-operation with continuing competition offered the ideal solution of the railway problem. Optimistic estimates were presented to the Royal Commission four years ago of the savings that might be expected. The experience since the enactment of the Canadian National-Canadian Pacific Act of 1933 has shown conclusively the fundamental contradictions involved in this policy and the relatively small economies possible.

Some, realizing the failure of the co-operative plan, prophesy that there will be a sufficient increase in traffic to solve the financial problem arising from Canada's publicly owned railway system. More traffic is needed and, it is hoped, will materialize. The prophets do not agree as to the amount of traffic needed, or when it will be obtainable. Most of these prophets have not made even a cursory examination of the facts and understate the actual amount of the deficits of the Canadian National Railways. None take into their calculation the fact that compound interest, whether charged against the railway or not, must inevitably be paid by the people of Canada upon the aggregate of such annual deficits.

Some, in an effort to avoid the acceptance of a logical solution, have even toyed with the idea that there should be a general increase in freight rates. It is the considered opinion of your management that the objective to be sought is a decrease, rather than an increase, in the burden of the total transportation charges (including railway deficits) on the income of the people of Canada.

While all the views which have been outlined are being advanced with varying force and effect throughout the country, it is my opinion that there is a constantly and rapidly widening sense of realization on the part of all classes of the seriousness of the Canadian railway problem and the ruinous effect of burdensome taxation resulting therefrom. There is increasing evidence that the people of Canada, who for years have been lulled into a false sense of security and have been peculiarly apathetic to this problem, are beginning to awaken to the fact that the transportation requirements of the country need not continue their present drain on the public purse if a sound solution is adopted. With a more general acceptance of this broader view, it may be anticipated that the local and sectional jealousies, which are reflected in the political attitude to the problem, will undergo a metamorphosis. With this change, the political objections which have up to the present formed the real stumbling block to a sound and progressive plan for rationalizing the nation's railway facilities will disappear. The interest of your Company is inseparably linked with the general interest of Canada, and it should be its policy, unless a better plan is evolved, to continue to urge the operation of the two great Canadian railways under a unified management. The benefits of such a policy would be far more widely spread than the mere operating economies involved. It would increase business confidence and assist the Government towards balancing its budget. Important as is this question to your Company, it would be a mistake to regard its interest in the subject as arising purely from a desire to improve its own situation. The problem is basically one of public finance and your Company's concern in regard to it obviously arises from the identity of its interests with those of the nation as a whole.

Pending the adoption of a plan for unified management of the railways, or some other satisfactory solution of the railway problem, the policy of the Company will be to continue to operate with the greatest economy consistent with maintaining its position. The record of the Company since its inception is a proud one, particularly under the trying competitive conditions which have existed since the consolidation of the Government railways and during the unprecedented depression from which we are just emerging. This record has been made possible only by unstinted zeal, loyalty and sacrifice on the part of the officers and employees who have served it through the years.

While it is difficult to speak with complete assurance as to the future in view of the perplexing problems which the world and this country now face, it must be apparent to those not entirely blind to the realities of the situation in Canada that the country should steadily advance economically and commercially, that its resources are as great as, and even greater than formerly, that its people have retained in a large measure their faith in the Dominion and in themselves, but that debt and waste must be reduced if we are to realize the future which should be ours. Taxation —even higher taxation—may be necessary and will be borne with resignation, if not with enthusiasm, if, and only if, extravagance in public expenditure is eliminated and we bend our energies to putting our house in order so that we may earn and deserve the reputation of being honest, efficient and courageous in the conduct of our public affairs.

Given a reasonable increase in gross receipts, as a result of added industrial and agricultural prosperity, the revenues of your Company will mount. Its administrators can, and do, provide efficient management, but the outside economic factors which affect so greatly its gross income are largely beyond its control. It is for this reason that I stress the importance of these outside factors in my analysis of our results.

It is the earnest desire of your Directors that, with wise and efficient administration of your properties, the Company's earnings may be increased sufficiently to permit the early resumption of dividend distribution to its proprietors. We have grounds for hoping that this desired consummation may be realized in the near future, unless prevented by some world-wide catastrophe such as war or some other uncontrollable social or economic disturbance.

55th ANNUAL REPORT OF THE C.P.R.

The accounts of the Company for the year ended December 31, 1935, show the following results:

Income Account

Gross Earnings		$ 129,678,904.57
Working Expenses (including taxes)		107,281,380.60
Net Earnings		$ 22,397,523.97
Other Income—Net		8,145,494.31
		$ 30,543,018.28
Deduct provision for depreciation of Ocean and Coastal Steamships*		3,550,996.64
		$ 26,992,021.64
Deduct Fixed Charges		24,159,937.83
Balance transferred to Profit and Loss Account		$ 2,832,083.81

*In 1934 provision for such depreciation, amounting to $3,783,660.01, was deducted from Profit & Loss and Surplus Revenue Account.

Profit and Loss Account

Surplus Revenue December 31, 1934		$145,912,720.95
Balance of Income Account for the year ended December 31, 1935		2,832,083.81
		$148,744,804.76
DEDUCT:		
Loss on lines abandoned and on property retired and not replaced	$4,692,085.65	
Miscellaneous—Net Debit	548,030.96	
Provision for losses in respect of investment in lines in the United States controlled through stock ownership	4,000,000.00	
		9,240,116.61
Profit and Loss Balance December 31, 1935, as per Balance Sheet		$139,504,688.15

The operations for the year 1935 resulted in an improvement of $145,953 over the comparable figure for the previous year. The balance of Income Account available for transfer to Profit and Loss Account after deduction of provision for depreciation of Ocean and Coastal Steamships was $2,832,-083. The comparable figure for 1934 of $2,686,130 may be arrived at by deducting from $6,469,790, balance of Income Account, $3,783,660 provision for depreciation of Ocean and Coastal Steamships, charged to Profit and Loss and Surplus Revenue Account in that year. In spite of the slight improvement mentioned, the level of earnings is still far from satisfactory.

Railway Earnings and Expenses

The results of railway operations in 1935 as compared with 1934 are as follows:

	1935	1934	Increase or *Decrease*
Gross Earnings	$129,678,904	$125,542,954	$ 4,135,950
Working Expenses (including taxes)	107,281,380	101,158,931	6,122,449
Net Earnings	$ 22,397,524	$ 24,384,023	*$ 1,986,499*

In 1935 working expenses, including taxes, amounted to 82.73 per cent. of gross earnings, as compared with 80.58 per cent. in 1934. Excluding taxes, the ratio was 79.56 per cent. as against 77.34 per cent. in 1934.

The trend of gross earnings during the first eight months of the year was irregular, there being in the aggregate a slight decrease compared with the same period of the previous year. During the remainder of the year a definite improvement was manifest, and for the full year there was an increase of $4,135,950 or 3.3 per cent. Passenger earnings decreased $218,027 during the first seven months, but owing to an improvement in each month thereafter the final results for the year showed a decrease of $3,090 only. Freight earnings for the year increased $2,959,778 or 3.1 per cent. The decrease for the first eight months was $254,737, and the increase for the remainder of the year was $3,214,515. There were moderate increases in earnings from coal, paper, refinery and smelter products and substantial increases in lumber, woodpulp and petroleum products. The earnings from grain and grain products again showed a reduction, being lower than in any year since 1914. Notwithstanding that during the early part of the summer the prospects of the wheat crop in Western Canada seemed excellent, owing to the development of rust and frost in many districts the total production fell much below the average. Conditions in the territory tributary to your Company's lines showed some improvement, with the result that a slightly larger proportion of the total crop will be available for movement by your Company than in the previous crop year.

Working expenses increased $6,122,449 or 6.1 per cent. The revision of the scale of deductions from basic rates of pay applicable to officers

and employees was put into effect, as indicated in the last Annual Report, resulting in an addition of $3,068,000 to the working expenses of the year. During the early part of the year extraordinary and prolonged snow and flood troubles in Briush Columbia entailed heavy expenses for maintenance and re-routing of trains. Main line traffic was disrupted for a period of ten days.

Maintenance expenses for the year increased $3,331,221 or 8.5 per cent. A substantial part of this increase was due to the partial restoration of payroll deductions. Moreover, in order to assist in stimulating employment, under agreement with the Dominion Government, the main locomotive and car shops were operated for three more days per month from July to November inclusive than in 1934 at an increased expense of $1,065,441. As a result, repairs to equipment were performed in advance of the time when the work would otherwise have been done. Nevertheless it was considered desirable to continue the policy adopted two years ago of charging the cost of such repairs to working expenses at the time when the expenditures were incurred, in order to avoid the creation of deferred charges against future years' operations. All expenditures in connection with work done during the year have been taken up in the accounts. Your property continues to be maintained in an efficient condition.

Transportation expenses increased $1,861,064 or 4.1 per cent. The ratio of transportation expenses to gross earnings rose from 36.3 per cent. in 1934 to 36.6 per cent. in 1935. This increase in ratio is more than accounted for by the partial restoration of payroll deductions. Continued improvement in efficiency is indicated by an increase in average freight train loading from 1,525 tons in 1934 to 1,546 tons in 1935, and in gross ton miles per train hour from 24,062 to 25,051. Average fuel consumption for freight trains decreased to 109 pounds per 1,000 gross ton miles as compared with 112 pounds in 1934.

Traffic and general expenses increased $847,468, owing principally to partial restoration of payroll deductions and also to larger pension disbursements.

Other Income

In accordance with intimation given at the last Annual Meeting, the caption "Other Income" has been substituted for "Special Income" to describe the Company's net income derived from sources other than railway operations and lands, and the items included in the first two subcaptions have been reclassified. Other Income for 1935 showed an increase over 1934 of $1,481,701.

The caption "Dividends" includes all income received by the Company by way of dividends. The increase over the comparable figure of 1934 is $1,228,096, due principally to an increase of $1,177,750 in the cash distributions received from The Consolidated Mining & Smelting Company of Canada, Limited.

Net income from interest, exchange, separately operated properties and miscellaneous decreased $128,624 from the comparable figure of 1934.

Net earnings of ocean and coastal steamships before depreciation increased $560,475. While the net earnings of these services have shown yearly increases since 1931, the returns are still much below a satisfactory level. During the year 1935 the Company's steamships made 133 regular voyages on the Atlantic, 26 on the Pacific and 35 cruises, an increase from 1934 of 4 Atlantic voyages and 1 Pacific voyage and a decrease of 8 cruises.

It is a matter of satisfaction to report that there were no casualties of a major nature. The "Minnedosa" and "Melita" were sold during 1935.

Net earnings from hotel, communication and miscellaneous properties decreased $178,246. Owing to the continued serious losses in the operation of the Place Viger Hotel, Montreal, which showed no prospect of improvement notwithstanding every effort to secure additional patronage and to operate it in the most economical manner, this well-known unit of the Company's system was closed on September 30, 1935. It was with regret that your Directors found themselves compelled to take this action.

Steamship Depreciation

The full annual depreciation requirement for your ocean and coastal fleets, amounting to $3,550,996, was appropriated from Income Account instead of from Profit and Loss Account.

Fixed Charges

It is satisfactory to record that, after showing annual increases for many years, Fixed Charges in 1935 were $418,087 less than in 1934. Moreover, in order to avoid any conflict with the meaning which will be ascribed to the term "Fixed Charges" on this continent as a result of the recent definition by the Interstate Commerce Commission of the accounts to be so designated by railways subject to its jurisdiction, interest on unfunded debt and amortization of discount on funded debt, treated as a deduction from Special Income in 1934, have now been included as part of the Fixed Charges. Were it not for this change, the reduction in Fixed Charges as compared with the preceding year would be $576,383.

Profit and Loss Account

During the year an active policy of retiring unprofitable and excess property in order to secure more remunerative operation was continued, with the result that the write-off for loss on lines abandoned and on property retired and not replaced was $140,000 greater than in 1934. Applications were made to the Board of Railway Commissioners for Canada for approval of the abandonment of five branches aggregating 104.6 miles of line. One of these branches had not been in operation for a number of years, and the operation of the others had proved unprofitable for some time. Four of these applications have been granted and one involving 33.1 miles of line has been refused.

Under the authority granted, two lines were abandoned during the year, namely:

(a) North Fork Branch of Kettle Valley Railway Company, leased to your Company, West End to Archibald (17.4 miles), Province of British Columbia.

(b) Stobie Branch of your Company, mile 1.6 to Blezard Mine (3.4 miles), Province of Ontario.

The abandonment of the other sections approved will be proceeded with during 1936.

The necessary adjustment has been made in the accounts in regard to all railway, steamship and other property retired during the year, including the furnishings and equipment of the Place Viger Hotel. No adjustment has been made with respect to the hotel building itself pending a decision as to the disposition thereof. While the accounting charges in connection with the retirement of such properties represents a sub-

stantial sum, the Company will benefit in the future by the elimination of operating losses previously sustained, and from the sale or use elsewhere of materials and property released.

A further appropriation of $4,000,000 was made to provide for possible writing down in the future of your Company's investment in controlled railways in the United States. The reserve for this purpose is now $16,000,000.

Dividends

While, as a result of the operations for the year, the Company was able to transfer $2,832,083 from Income Account to Profit and Loss Account, yet in view of the necessity for conserving its cash resources to meet necessary expenditures, including advances to the Minneapolis, St. Paul & Sault Ste. Marie Railway Company, to which reference is made later in this Report, your Directors deemed it inadvisable to declare any dividend in respect of the year 1935.

Balance Sheet Accounts

Some changes in the classification of the accounts in the General Balance Sheet have been found to be desirable, particularly in view of the regulations adopted by the Securities and Exchange Commission of the United States, which controls the listing of the Company's stocks and securities on the New York Stock Exchange. Such changes include the reclassification under new headings of the investments in other companies and the transfer to a separate heading on the asset side of the Balance Sheet of unadjusted debit balances heretofore deducted from Reserve for Contingencies. Other minor changes in nomenclature have been made. In view of these changes, it was thought well to include this year a detailed schedule of the investments of the Company in stocks, bonds, and other securities of leased, controlled and jointly controlled railway companies and wholly owned companies. In addition to the schedule of contingent liabilities, a schedule has been incorporated showing the Company's obligations in respect of principal of securities of companies owning railway lines operated by it under lease.

Land Accounts

Sale of agricultural lands during the year amounted to 124,354 acres for $1,217,890, an average of $9.79 per acre, including 1,201 acres of irrigated land at $47.13 per acre and the remainder at an average of $9.43 per acre.

Interest on deferred payments decreased from the figure of the previous year because of the transfer mentioned in the succeeding paragraph, and because of an increase over 1934 in interest rebates to land contract holders. These rebates first granted in 1932, and continued in subsequent years as a measure of relief to the farmers who were suffering from severe economic pressure as a result of poor crops and low prices, amounted to $1,349,497 in 1935, and have aggregated $6,300,082 since 1932.

The contract with the Board of Trustees of The Eastern Irrigation District, to which reference was made at the last Annual Meeting, has now been completed by the transfer to the District of the Eastern Section of the Company's Irrigation Project, together with the unsold lands and the deferred payments under existing contracts. The liability of the Com-

pany to maintain and operate the system has been transferred to and assumed by the District, with the sanction of the Legislature of Alberta. This will result in an annual saving in land expenses of not less than $400,000. As a result of this arrangement, Deferred Payments have been reduced by $4,628,555 and Unsold Lands and Other Properties by $10,991,589, involving a reduction in Land Surplus of $15,620,144. The lands transferred have been written off at average appraisal values, though with the exception of a relatively small irrigable area, they are lands of poorer quality. The contracts under which land was sold and water delivered in this section of the irrigation project provided from the outset for the assumption ultimately by the water users of the maintenance and operation of the system on a co-operative basis. Your Directors are of the opinion that, by anticipating the transfer, substantial savings will be made in land expenses without jeopardizing the Company's interest in the development of traffic.

An agreement was made during the year between your Company, the Cadillac Coal Company, Limited and the Royalties Oil & Share Corporation Limited under which their colliery properties and coal lands in the vicinity of Lethbridge, including those acquired by your Company with other properties of the Alberta Railway & Irrigation Company and certain coal lands of the Calgary & Edmonton Railway Company, were conveyed to a new company known as Lethbridge Collieries Limited, in which your Company has a controlling interest. In exchange for the properties conveyed, your Company received a total of $480,000 par value of stock in the new company and undertook to complete the construction of a new shaft in consideration of the issue of additional stock equivalent to the amount of its expenditures. As at December 31, 1935, an additional $200,000 par value of stock had been received on this account. The stock acquired has been included in Miscellaneous Investments at par value. The Company's investment in the capital stock of the Alberta Railway & Irrigation Company has been written down by an amount equivalent to the original cost to that company of the properties sold, and an equivalent amount, less the proportion of the credit from the stock acquired in Lethbridge Collieries Limited applicable to such cost, has been written off against Land Surplus. The merger will eliminate wasteful and costly competition in the Lethbridge field and already shows promise of profitable operation.

Pensions

Pension disbursements for the year totalled $2,022,428 and were included in working expenses. During the year 381 employees were pensioned. The total number of pensioners at the end of the year showed an increase of 171 over the number at December 31, 1934. The distribution by ages of the number of pensioners on the roll at December 31, 1935, was as follows:

Under 60 years of age	95	
From 60 to 64 years of age inclusive	241	
From 65 to 70 years of age inclusive	1,180	
Over 70 years of age	1,246	
		2,762

Capital Expenditures

In anticipation of your confirmation, your Directors authorized Capital Appropriations, in addition to those approved at the last Annual Meeting, aggregating for the year 1935 $5,904,984, of which $5,164,068 is in connection with the new rolling stock to be built under agreement with the Dominion

Government hereinafter referred to. Your approval will be requested for capital expenditures during the present year of $6,149,769. Particulars of the principal items are:

Replacement and enlargement of structures in permanent form	$ 362,977
Additions and betterments to stations, freight sheds, coaling and watering facilities and engine houses	528,416
Ties, tie plates, rail anchors and miscellaneous roadway betterments	2,357,272
Replacement of rail in main and branch line tracks with heavier section	483,048
Installation of automatic signals	60,800
Additional terminal and side track accommodation	112,118
Additions and betterments to rolling stock	2,176,676
Additions and betterments to hotels	21,000

Additions and betterments to rolling stock includes the cost of the balance of the new rolling stock to be built under the agreement with the Dominion Government hereinafter referred to and the capital proportion of expenditures for improvements. The latter, in addition to ordinary betterment of freight cars in conformity with interchange requirements and betterment of motive power to secure more efficient operation, includes for the first time expenditures for air-conditioning of sleeping, parlour and observation cars to be used in our transcontinental and international services in competition with the services operating over United States railways which have already been similarly equipped.

Finance

As one of the measures for the relief of unemployment adopted by the Dominion Parliament at the session of 1935, the Government agreed to purchase certain rolling stock to be sold in part to the Canadian National Railway Company and in part to your Company under so-called Hire-Purchase Agreements. In the case of your Company, the amount involved is $5,730,000. The Company will have the use of the rolling stock, will reimburse the Government for the full amount of its cost in thirteen annual instalments commencing in 1938, and will acquire title upon payment of the final instalment. No interest will be payable in respect of the first two years, after which it will accrue at the rate of 4 per cent. per annum. The rolling stock is being constructed according to plans and specifications prepared by your mechanical engineers, and will be received by the Company during the year 1936. As a result of the arrangement, your Company will acquire 1,120 freight cars, 16 light weight passenger cars, 5 light weight passenger locomotives and 1 Diesel-Electric switching locomotive.

As a further part of the measures for the relief of unemployment adopted at the same session, the Government undertook to make advances to the two railway companies for the purpose of providing increased employment in their main shops, the amount in the case of your Company being $1,270,000, of which $1,065,441 was advanced during the year 1935. These advances are to be repaid in thirteen annual instalments commencing January 1, 1938, together with interest at 4 per cent. per annum, it being provided that no interest shall accrue in respect of the first two years after the date of the advances.

During the year $2,079,000, principal amount, of equipment obligations were redeemed and an amount of $2,284,200 was deposited with the Trustee of the Equipment Trust maturing 1944. Twenty Year 4½ per cent. Sinking Fund Secured Note Certificates to the amount of $322,000 were also redeemed.

On January 2, 1935, the Company borrowed $2,000,000 on its short term promissory notes from United States banks, secured by pledge of $2,850,000,

principal amount, Perpetual 4 per cent. Consolidated Debenture Stock. These loans were repaid at maturity during the year and the Debenture Stock was released and cancelled.

Minneapolis, St. Paul & Sault Ste. Marie Railway Company

Drought conditions in the territory served by this system were relieved during 1935, and as a result the crop was considerably improved, although unfortunately it suffered materially from the effects of rust, as in Canada. Commencing with the month of July revenues have shown an improvement, but owing to increases in wage rates and other uncontrollable expenses the improvement was not reflected in the net income for the year. On account of guarantee obligations and to protect its investment in this property, your Company advanced to the Soo Line during the year $4,910,085, which enabled that company to meet all its interest charges and to redeem $825,000 of notes issued in 1932 to the Railroad Credit Corporation wnich had been guaranteed by your Company.

United States Securities Exchange Act of 1934

Pursuant to the Securities Exchange Act of 1934, passed by the United States Congress, and in accordance with the rules adopted by the Securities and Exchange Commission under its authority, the permanent registration on the New York Stock Exchange of those of the Company's stocks and securities which had previously been listed on that Exchange became effective July 1, 1935.

Ordinary Capital Stock

The shareholders have heretofore from time to time authorized the increase in the Ordinary Capital Stock of the Company to an aggregate amount of $385,000,000 of the total of $500,000,000 of such stock which the Company is by law empowered to issue when so authorized. At a special meeting of the shareholders held on May 6, 1931, authority was granted for the issue of additional Ordinary Capital Stock of the Company to an amount of $50,000,000, the proceeds to be applied to the purposes referred to in the resolution authorizing such issue. Owing to the unsatisfactory conditions which have prevailed since that authority was granted, rendering it impracticable to dispose of the Company's Ordinary Capital Stock, your Directors deemed it advisable that the Company's requirements for the purposes referred to should be met by the issue of terminable securities with a right of conversion into Ordinary Capital Stock, subject to terms and conditions approved by your Directors. Under this policy the Company, as mentioned in the Annual Reports for the years in question, issued in 1932 $12,500,000 Convertible Ten Year 6 per cent. Collateral Trust Bonds and in 1934 $12,000,000 Convertible Fifteen Year 4 per cent. Collateral Trust Bonds, secured in each case by pledge of Perpetual 4 per cent. Consolidated Debenture Stock of the Company, the holders in each case being given the right to convert their bonds into shares of the Ordinary Capital Stock of the Company in the ratio of four shares of the par value of $25 each to each $100 principal amount of the bonds. Such conversion privileges offer advantages both from the standpoint of the Company and the investor. Your Directors are of the view that until conditions become more settled it may from time to time be desirable to follow similar methods of financing. In order that they may be in a position to issue Ordinary Capital Stock, as may in their opinion be desirable for the purposes referred to in the resolution of the shareholders

to which reference has been made, either for direct sale or for conversion privileges in connection with any terminable obligations heretofore or hereafter issued by way of refunding or otherwise for any such purpose, your authority will be asked at the forthcoming Annual Meeting for the issue of an additional $65,000,000 of Ordinary Capital Stock in such amounts, on such terms and at such times as your Directors shall from time to time decide.

Co-operation with Canadian National Railway Company

The joint study of co-operative measures, plans and arrangements under the provisions of the Canadian National-Canadian Pacific Act 1933 was continued throughout the year. The arrangements previously in effect were continued, and certain others have advanced sufficiently for the preparation of formal agreements. In some of these, line abandonments will be involved, which will require the approval of the Board of Railway Commissioners for Canada. The studies have resulted in the rejection of a number of proposals and a number of others are still under investigation. The total annual economy to be derived from the arrangements already in effect and from those recommended to the Joint Executive Committee has been estimated at slightly less than $1,600,000, one-half of which will accrue to each Company. Further negotiations carried on during the year in an endeavour to secure co-operative economies in the telegraph and express services of the two companies have been without definite result.

Stock Holdings

The holdings of the Capital Stocks of the Company in December, 1935, were distributed as follows:

	Ordinary		Preference		Percentage of Ordinary and Preference Stocks combined
	No. of holders	Percentage of Stock	No. of holders	Percentage of Stock	
Canada	29,088	16.84	82	.28	11.94
United Kingdom and other British	21,251	53.49	27,707	97.90	66.64
United States	16,322	24.24	28	.58	17.23
Other Countries	4,456	5.43	200	1.24	4.19
	71,117		28,017		

The Directorate

Honourable J. Marcelin Wilson, President of the Banque Canadienne Nationale, was appointed a Director of the Company to fill the vacancy caused by the death of Honourable F. L. Beique.

The following Directors will retire from office at the approaching Annual Meeting. They are eligible for re-election: Mr. D. C. Coleman; Mr. John W. Hobbs; Mr. R. S. McLaughlin; Sir Edward R. Peacock, G.C.V.O.; Mr. W. N. Tilley, K.C.

Your Directors again acknowledge with gratitude the loyal co-operation and assistance of the officers and employees in all matters affecting the Company's interests.

For the Directors

E. W. BEATTY,
President.

Montreal, March 9, 1936.

BOARD OF DIRECTORS

SIR EDWARD BEATTY, G.B.E.	Montreal
MR. W. A. BLACK	Montreal
COL. HENRY COCKSHUTT	Brantford
MR. D. C. COLEMAN	Montreal
SIR CHARLES GORDON, G.B.E.	Montreal
MR. JOHN W. HOBBS	Toronto
SIR HERBERT S. HOLT	Montreal
RT. HON. REGINALD McKENNA	London, Eng.
MR. ROBERT S. McLAUGHLIN	Oshawa
MR. ROSS H. McMASTER	Montreal
COL. FRANK S. MEIGHEN, C.M.G.	Montreal
SIR EDWARD R. PEACOCK, G.C.V.O.	London, Eng.
MR. JAMES A. RICHARDSON	Winnipeg
RT. HON. LORD SHAUGHNESSY, K.C.	Montreal
MR. ROBERT C. STANLEY	New York
MR. W. N. TILLEY, K.C.	Toronto
MR. MORRIS W. WILSON	Montreal
HON. J. MARCELIN WILSON, SENATOR	Montreal

EXECUTIVE COMMITTEE

SIR EDWARD BEATTY, G.B.E.	MR. W. A. BLACK
MR. D. C. COLEMAN	SIR CHARLES GORDON, G.B.E.
SIR HERBERT S. HOLT	MR. W. N. TILLEY, K.C.

General Balance Sheet

December 31, 1935

Assets

PROPERTY INVESTMENT:		
Railway, Rolling Stock, Inland Steamships, Hotel, Communication and Miscellaneous Properties	$767,737,162.19	
Improvements on Leased Railway Property	97,337,171.45	
Ocean and Coastal Steamships	104,849,337.98	
Stocks, Bonds and Other Securities of Leased, Controlled and Jointly Controlled Railway Companies and Wholly Owned Companies—Cost	199,956,164.25	
		$1,169,879,835.87
OTHER INVESTMENTS:		
Miscellaneous Investments—Cost	$ 26,919,735.72	
Advances to Controlled and Other Companies—Net	18,792,285.02	
Mortgages Collectible and Loans and Advances to Settlers	2,951,534.33	
Insurance Fund Investments	8,246,827.31	
Deferred Payments on Lands and Townsites	40,857,030.19	
Unsold Lands and Other Properties	34,105,574.46	
		131,872,987.03
CURRENT ASSETS:		
Material and Supplies	$ 16,173,024.90	
Agents' and Conductors' Balances	5,368,213.88	
Net Traffic Balances	485,917.72	
Miscellaneous Accounts Receivable	5,334,407.82	
Cash	17,356,041.53	
		44,717,605.85
UNADJUSTED DEBITS:		
Insurance Prepaid	$ 237,760.24	
Unamortized Discount on Bonds	572,098.59	
Other Unadjusted Debits	1,245,858.48	
		2,055,717.31
		$1,348,526,146.06

Liabilities

CAPITAL STOCK:		
Ordinary Stock	$335,000,000.00	
Preference Stock—4% Non-cumulative	137,256,921.12	
		$ 472,256,921.12
PERPETUAL 4% CONSOLIDATED DEBENTURE STOCK	$495,911,848.74	
LESS: Pledged as collateral to bonds and notes	204,500,300.00	
		291,411,548.74
BONDS AND NOTES	$187,464,000.00	
LESS: Securities deposited with Trustee of 5% Equipment Trust	7,640,770.41	
		179,823,229.59

Liabilities—*Continued*

Twenty Year 4½% Sinking Fund Secured Note Certificates (1944)	$ 30,000,000.00	
Less: Purchased by Trustee and cancelled	9,483,300.00	
		20,516,700.00
Current Liabilities:		
Audited Vouchers	$ 4,631,749.37	
Pay Rolls	2,567,894.96	
Miscellaneous Accounts Payable	1,959,164.51	
Accrued Fixed Charges	1,486,104.12	
		10,644,912.96
Deferred Liabilities:		
Dominion Government Unemployment Relief	$ 3,512,664.50	
Miscellaneous	317,054.10	
		3,829,718.60
Reserves and Unadjusted Credits:		
Equipment Replacement Reserve	$ 8,340,368.22	
Steamship Depreciation Reserve	36,210,202.77	
Insurance Reserve	8,246,827.31	
Contingent Reserves	7,454,731.70	
Investment Reserve	16,000,000.00	
Unadjusted Credits	3,624,045.93	
		79,876,175.93
Premium Received on Capital and Debenture Stock (Less discount on bonds and notes written off at date of issue)		66,712,887.43
Land Surplus		83,949,363.54
Profit and Loss Balance		139,504,688.15
		$1,348,526,146.06

E. A. LESLIE,
Comptroller.

Auditors' Certificate:

We have examined the Books and Records of the Canadian Pacific Railway Company for the year ending December 31, 1935, and having compared the above Balance Sheet therewith, we certify that in our opinion it is properly drawn up so as to show the true financial position of the Company at that date, and that the Income and Profit and Loss Accounts correctly set forth the result of the year's operations.

PRICE, WATERHOUSE & CO.,
Chartered Accountants, (England)

Montreal, March 6, 1936.

THE CONSOLIDATED MINING AND SMELTING COMPANY OF CANADA LIMITED

METALLURGICAL AND CHEMICAL OPERATIONS

Largest Producer of Non-Ferrous Metals in the British Empire

The Consolidated Mining and Smelting Company of Canada, Limited, is one of Canada's most outstanding examples of a successful national industry. Its activities extend over several Provinces and its markets are co-terminous with the modern world. Not only is it an active producer of both base and precious metals, but it has taken a lead in developing many of the new mining areas of the Dominion.

As *The Northern Miner* has said, the story of Consolidated Smelters' successful attack on the problems involved in the exploration of the Sullivan Mine is one of the most remarkable chapters in Canada's industrial history. The Sullivan, once the despair of metallurgists, is now distinguished as the world's largest individual producer of lead-zinc-silver ores. Heavy profits have rolled into the treasury of The Consolidated Company from the sale of its products, and nothing bespeaks the Company's sense of responsibility to its shareholders more than its decision, reached some years ago, to embark on a programme of exploration for other mines. Armed with large financial resources its mining and exploration department has penetrated every prospecting field of importance in the Dominion. In common with the experience of other operating companies that have embarked on similar enterprises, there has been no lack of disappointments. "Mistakes have been made, but the gratifying feature of the adventure remains in the fact that, after ten years of the most aggressive campaign of prospecting and exploration on record a fine crop of promising prospects now appears to be ready to burst into full bloom as profitable producers." (*The Northern Miner*). The rôle which The Consolidated Mining and Smelting Company has played in the opening up of the North-West Territories promises significant returns for the Company and for the Dominion.

Camp Opened in 1890

The Consolidated Mining and Smelting Company of Canada, Limited was formed in 1906 by combining the smelter interests of the Canadian Pacific Railway Company with those of the Centre Star and War Eagle companies of Rossland, and the St. Eugene Company of Moyie, which at that time was the principal lead producer of the district. Since then the development of the huge silver-lead-zinc ore body of the Sullivan Mine, which was taken over by the Company in 1910, has raised the Consolidated Company to the position of the largest producer of non-ferrous metals in the British Empire.

To view the historical background of this industry one must go back almost 50 years to the beginning of the Rossland camp. In 1890, claims

were first located on the gold-copper lodes around which the City of Rossland rapidly grew and which brought southern British Columbia into prominence in the mining world. It is interesting to note that during the Summer of that year, two men, Bourgeois and Morris, located in one day, the LeRoi (then the Louis claim), Centre Star, War Eagle, Idaho and Virginia claims. During the next few years the young camp developed rapidly, shipping its ore by wagon road to Trail Creek on the Columbia River and then by steamer and rail to Montana for smelting. The year 1895 was one of great activity and marked the construction by Augustus Heinze of Butte, Montana, of a copper smelting plant at Trail. In February, 1896, the first furnace was blown in. At this time Heinze also built a railway of three-foot gauge between Trail and Rossland, on which wood-burning locomotives were used. In 1896 the Red Mountain railway connecting Rossland with Northport was completed, giving standard gauge connections with three trans-continental lines at Spokane. At this time Rossland had a population of about six thousand.

Formation of Company in 1906

This was a period of intense competition between the Canadian Pacific and the Great Northern Railways along the border. The completion in 1898 of the Crowsnest branch of the Canadian Pacific built through the coal fields to Kootenay Lake was an important event. In the same year the West Kootenay Power and Light Company completed its power plant at Bonnington Falls, 32 miles distant from Rossland, on the Kootenay River. Coal, coke and electric power were thus made available for the Trail Smelter and the Rossland Mines. In 1898 the Canadian Pacific Railway acquired the Heinze railway interests running out of Trail and in the same year acquired the Smelter. The standard gauge line to Rossland was completed in July, 1899.

The Smelter was at this time being operated on gold-copper ores as the Canadian Smelting Works. It was then decided to enter the lead smelting field and a blast furnace was installed in the year 1901. The lead ore of the Kootenays had three possible routes to follow, namely, to United States plants, to the Hall Mines Smelter at Nelson and to Trail. The bullion produced at Nelson and Trail was shipped in bond to the Selby Plant on San Francisco Bay for refining.

The refined lead was sold in Eastern Canada and in the Orient and this marked the beginning of the present export from Trail of refined metals which to-day supply about 11 per cent. of the world's requirements of lead and 10 per cent. of the zinc, as well as considerable quantities of copper, gold, silver, cadmium and bismuth.

In the year 1902 the Company started experimenting with the refining of lead bullion in Trail which soon resulted in a small plant using the Betts electrolytic process. Since then the refinery has been extended until at the present time about 575 tons of refined lead are produced daily.

In 1906 the Canadian Pacific Railway combined its smelter interests with a number of mining companies to form the Canadian Consolidated Mines Limited. A few months later this name was changed to The Consolidated Mining and Smelting Company of Canada, Limited, by which name the Company is still known.

Acquisition of the Sullivan Mine

In 1909 the production of copper-gold ores from Rossland and of the lead ore from the St. Eugene appeared to be definitely on the decline, so

the Consolidated Company was very alert for prospective new mines. It was in this year that the Company took a lease and option on the Sullivan Mine in East Kootenay.

This mine which has now become world famous was discovered in 1892 by Pat Sullivan and three associates* who had, a few months earlier, left the Coeur d'Alene country to seek their fortunes in the Kootenay Lake District of British Columbia. From 1896 to 1899 some surface stripping was done and several small shafts sunk. In 1900 the Canadian Pacific Railway completed a branch line of 19 miles from Cranbrook on the Crowsnest Line to handle the ore from the mines of the Kimberley area. Of these, the North Star was the main producer at that time and in 1900 shipped 16,000 tons averaging 50 to 55 per cent. lead and 20 to 25 ounces per ton of silver. In the same year systematic development of the Sullivan Mine was started and during the three following years from four to five thousand tons of 35 to 40 per cent. lead ore carrying about 15 ounces of silver, were shipped to the Hall Mines Smelter at Nelson and to the Canadian Smelting Works at Trail.

By this time it was considered that the ore tonnage developed justified the construction of a smelter and in 1903 this was commenced at Marysville, five miles from Kimberley on the St. Mary's river at Mark Creek. Many serious metallurgical difficulties were encountered and overcome during the smelting of some 75,000 tons of ore. Owing to financial difficulties, the smelter and mine were forced to close down late in 1907. The Company was reorganized in 1909 with the Federal Mining and Smelting Company holding control. In December of the same year the Consolidated Company took an option on the property, which option was exercised the following year and much adjoining property acquired. Shipments to Trail of an improved grade of lead ore as a result of hand sorting were then commenced.

Almost immediately an active investigation was started on the problem of separation and treatment of the complex zinc-lead-iron ore. The LeRoi mill at Rossland and the Highland mill at Ainsworth were first used for test work and later the St. Eugene mill was remodelled to accommodate this work, but was destroyed by fire in 1916, and from then on the investigational work was carried on at Trail. During these years ore high in lead and silver and low in zinc was mined and shipped to Trail for smelting. Annual tonnages rose from 23,000 in 1910 to 44,650 in 1915.

In 1914 Sullivan mine became the largest lead producer in Canada and has retained that distinction up to the present time. During the period of increasing lead shipments, investigations for the extraction of zinc values were being carried on, and during the first year of the Great War an experimental electrolytic zinc plant was started. In 1915 a commercial plant was built and early in 1916 operation was started on crude Sullivan ore running 25 to 35 per cent. zinc. This was an economic proposition only because of the high prices of metals at that time.

It then became very evident that cheap power was one of the prime necessities for the prospective electrolytic refineries at Trail and so in 1916 the Consolidated Company obtained control of the West Kootenay Power and Light Company by acquiring all of its common stock and arranged for its expansion. The West Kootenay Power and Light Company has now a total installed generating capacity of 226,000 horse power in its four plants on the Kootenay river.

---

*NOTE.—E. C. Smith, John Cleaver and Frank Burchette.

Ore Concentration Tests

In 1917 a trial was made of the Horwood process of ore concentration in a 150-ton mill at Trail. This was abandoned on account of high costs and difficult control. Gravity concentration tests using finely ground ore were then tried out but also proved disappointing. Wet magnetic concentration gave some promising results and was operated first at 150 and then at 600 tons per day. Encouraging results with the flotation process led to the decision to parallel the 600-ton magnetic plant with a flotation plant. Operation of this was started in March 1920 and it was soon very apparent that it would render obsolete the magnetic separation method for Sullivan ore. The 600-ton magnetic plant was immediately remodelled to enlarge the flotation operation. In August 1920, the first lead concentrate by differential flotation was made. For the next three years the test mill underwent a long series of changes, both mechanical and metallurgical, with the objects in view of meeting the demands of consuming plants and collecting data for the design of the proposed Sullivan Concentrator at Kimberley. The latter was built and operation was commenced in August, 1923, with a capacity of 3,000 tons per day. This has since been increased to 6,500 tons per day.

The solving of the concentration problem provided high grade concentrates of lead and zinc, facilitating the development of a zinc recovery process which could compete successfully with other methods. This plant, after a number of extensions, now has a capacity of 400 tons of cathode zinc per day.

Recovery of By-Products

Apart from improving operations, the developments during recent years have been concerned mainly with the recovery of by-products from the lead and zinc operations. Investigation of the recovery of zinc and lead from lead blast furnace slag by electrothermic and fuming methods led to the selection of the latter process and a plant for this purpose was completed in July 1930.

A concerted effort was also made to recover the sulphur dioxide emitted in low concentrations from the zinc and lead stacks. The degree of success achieved is eminently shown by the existing sulphuric acid and elemental sulphur plants which have an average daily production of 400 tons and 80 tons respectively. In 1930, after several years investigation, the company embarked on an ambitious fertilizer production programme as an outlet for the large quantities of sulphuric acid. These modern plants, constructed at Warfield, about a mile from Trail, produce ammonia, ammonium sulphate and the phosphates of ammonia and lime. These fertilizer products are largely sold in foreign markets.

Other by-products recovered in recent years include refined cadmium and bismuth. In 1938 electrolytic antimony and an arsenic product will be added to the list.

The only major problem that remains, so far as Sullivan ore is concerned, is the utilization of the iron sulphide mill tailing.

Progress in Production

The Sullivan Mine has been the Company's principal producer since 1917 and has reserves of ore for many years to come. The Mines Department has for the past several years carried on a very energetic exploration programme throughout the world and particularly throughout the

Dominion of Canada. The discoveries indicate substantial progress in many directions.

The following tables give a summary of production to date:

Production of Metals, Chemicals and Fertilizers 1894-1937

	Ounces Gold	Ounces Silver	Short Tons Copper	Short Tons Lead	Short Tons Zinc	Short Tons Cadmium	Short Tons Bismuth	Short Tons Sulphur	Short Tons 100% Sulphuric Acid	Short Tons Ammonium Sulphate	Short Tons Other Fertilizer
1906*	444,384	8,004,578	11,497	33,577	....	....	....	....	....	....	....
1906†	64,590	1,074,255	1,200	7,567	....	....	....	....	....	....	....
1907	69,168	1,100,271	1,721	10,192	....	....	....	....	....	....	....
1908	121,380	2,224,888	2,002	16,078	....	....	....	....	....	....	....
1909	114,920	2,443,475	2,319	21,838	....	....	....	....	....	....	....
1910	137,614	2,162,406	2,988	21,184	....	....	....	....	....	....	....
1911	119,067	1,458,758	2,211	12,013	....	....	....	....	....	....	....
1912	129,789	1,765,992	1,457	13,036	....	....	....	....	....	....	....
1913	186,017	3,224,408	1,727	24,163	....	....	....	....	....	....	....
1914	129,083	2,568,301	1,823	17,309	....	....	....	....	....	....	....
1915	148,891	2,230,500	2,653	20,089	....	....	....	....	....	....	....
1916	98,314	2,285,631	2,223	19,987	1,544	....	....	....	258	....	....
1917	69,704	2,471,887	3,703	22,130	9,984	....	....	....	2,879	....	....
1918	52,917	1,708,692	3,991	19,423	10,901	....	....	....	3,623	....	....
1919	59,605	1,782,025	3,467	20,855	15,372	....	....	....	4,766	....	....
1920	42,636	1,097,930	2,251	13,237	18,497	....	....	....	3,614	....	....
1921	56,334	1,198,114	1,528	28,842	26,494	....	....	....	1,017	....	....
1922	18,864	2,116,351	622	42,176	27,782	....	....	....	1,613	....	....
1923	11,113	2,960,714	....	47,971	30,026	....	....	....	1,652	....	....
1924	26,976	4,074,044	692	80,700	46,099	....	....	....	1,122	....	....
1925	20,516	4,704,635	183	118,040	48,955	....	....	....	2,645	....	....
1926	50,075	7,178,817	10,632	131,053	67,546	....	....	....	1,508	....	....
1927	29,490	7,179,607	9,261	145,521	73,528	....	....	....	....	....	....
1928	23,623	7,673,762	8,903	159,416	81,765	246	....	....	....	....	....
1929	14,694	7,362,164	4,173	150,217	86,048	387	83	....	3,065	....	....
1930	25,782	6,936,759	7,064	151,492	119,551	228	....	....	8,501	....	....
1931	24,968	6,572,119	608	138,843	101,124	162	47	....	36,170	6,485	18,571
1932	33,346	5,522,366	384	126,619	65,284	33	....	....	73,038	46,721	14,420
1933	22,393	5,551,349	270	127,319	68,810	123	35	....	64,219	65,810	3,058
1934	35,328	7,316,231	784	157,674	110,978	147	123	....	95,434	55,780	26,717
1935	65,131	7,594,366	318	164,329	119,840	275	4	543	120,245	42,949	37,697
1936	69,330	8,615,795	433	182,541	125,693	263	180	3,464	126,578	71,630	26,429
1937	52,435	9,846,545	2,292	206,579	142,650	218	....	13,533	132,194	57,832	44,221

* Canadian Smelting Works, 1894 to June 30, 1906.
† C. M. & S. Co. of Canada Ltd., June 30 to December 31, 1906.

Mine Production 1894 to 1937

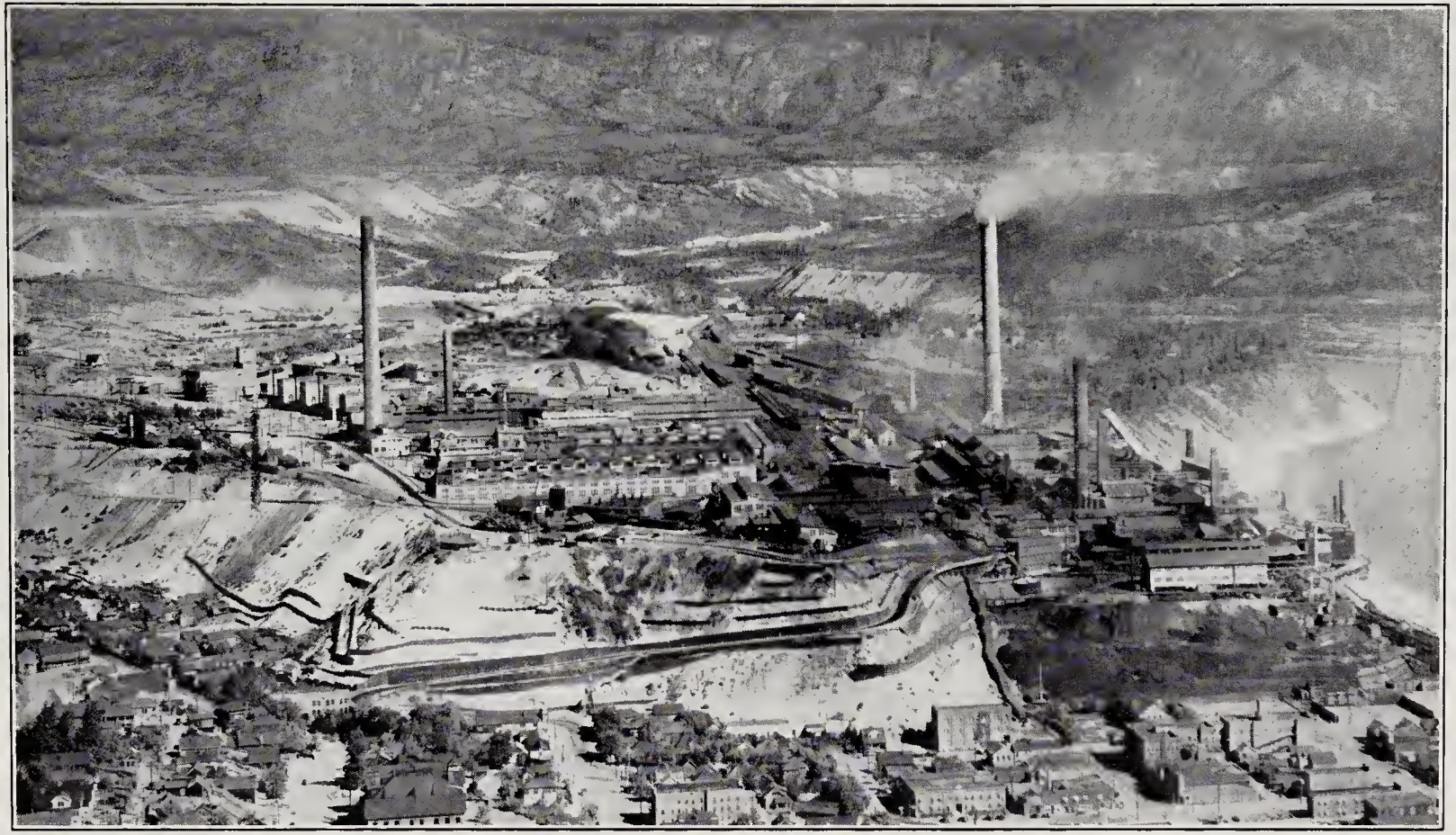
Year	Short Tons Ore Rossland Mine	Short Tons Ore St. Eugene Mine	Short Tons Ore Sullivan Mine	Short Tons of Ore and Customs Concentrates treated at Kimberley and Trail Plants
1894-1905	761,417	313,416	.....	910,973
1906	81,267	84,066	.....	157,640
1907	81,788	127,645	85,406 (1900-07)	222,573
1908	175,799	155,419	.....	305,956
1909	183,040	155,668	.....	347,417
1910	194,013	114,136	6,704	487,125
1911	193,223	47,705	34,065	388,785
1912	209,427	13,460	21,189	296,458
1913	259,406	1,826	41,284	407,124
1914	232,878	1,217	30,919	374,771
1915	315,168	169	44,841	447,064
1916	309,720	746	91,129	447,017
1917	106,025	1,698	135,254	359,404
1918	106,374	1,191	104,758	374,889
1919	99,470	3,178	176,970	398,118
1920	54,644	938	259,814	592,763
1921	82,094	80	298,384	432,078
1922	18,566	.....	360,844	407,260
1923	18,439	.....	452,252	519,613
1924	157,504	.....	996,260	1,133,523
1925	38,225	.....	1,119,885	1,210,698
1926	25,317	.....	1,115,387	1,354,821
1927	15,416	.....	1,272,217	1,405,872
1928	13,886	.....	1,571,931	1,665,586
1929	.....	.....	1,865,247	1,903,637
1930	.....	.....	1,924,017	1,947,004
1931	.....	.....	1,621,143	1,647,773
1932	.....	.....	1,447,448	1,473,663
1933	10,834	.....	1,413,418	1,443,235
1934	39,397	.....	1,748,331	1,792,298
1935	32,914	.....	1,861,245	1,944,064
1936	9,329	.....	1,898,099	1,945,882
1937	8,219	.....	2,218,364	2,267,170

At The Sullivan Mine

The Sullivan ore body is a sulphide replacement in quartzites. The main minerals are iron, lead and zinc sulphides with the lead carrying an appreciable quantity of silver. The vein has an average dip of 25 degrees and is productive, except for isolated iron zones, for 5,000 feet along the strike. The thickness ranges from 5 to 200 feet and is being mined along the dip for 2,000 feet below the outcrop.

The mine is opened along three main levels, the "4,600," "4,250" and "3,900," with development being carried below the "3,900" in preparation for future production. The tunnel on the 3,900-foot level was started in 1915 and it is through this tunnel that to-day the entire production is hauled. The tunnel reaches the ore body at 7,000 feet from the portal and extends 5,000 feet further to the north limit of the ore body.

Development for mining is done by driving drifts and crosscuts below the footwall of the ore at regular intervals. From these workings, 40 to 65 degree raises are driven, at 100-foot intervals or less, to the hanging wall of the ore body. Stoping is started at this top point by side-swiping along the hanging wall, and allowing the broken ore to run by gravity through the raise to the chute. As the stope advances it is necessary to lower the collar of the raise and carry an incline bench from it in all directions to allow further advance along the hanging wall. This cycle is repeated until the collar of the raise has been lowered to the footwall, during which time the stope boundaries have been terminated by pillars or by advancing stopes from adjoining raises. When gravity mining has been completed a scraper and double drum hoist are installed and the ridges of ore between raises are mined to completion. During this period



The Consolidated Mining and Smelting Company of Canada Limited
General View of Smelter, Trail, B.C.

of stoping, ore pillars are left at regular intervals to support the roof. The percentage of ore left in pillars varies between 5 and 25 per cent. depending on the depth of the workings and on the condition of the roof. In preparation for recovery of these pillars, raises are driven from the hanging wall of completed stopes to the surface where a supply of gravel and clay is available for filling. This material is fed to the raises by tractor with bulldozer attachments and spread below by means of water. This compact fill forms an artificial support for the roof and will thus allow extraction of the ore pillars.

Ore from the stopes is drawn from the raises through chutes into cars of the "Granby" type of 80 and 156 cubic foot capacity holding 6 and 12 tons of ore respectively. Twelve-ton tandem locomotives are used in transporting the ore on the 3,900 level and haul 200 tons of ore per train to the coarse crushing plant at the portal of the tunnel. Here the ore is crushed from run of mine to six inch by a primary jaw crusher and to three inch by secondary gyratory crushers. The ore is then transported to the concentrator two and three-quarter miles away. At present the average daily output is 7,500 tons for six days a week.

The Sullivan Mill

The intermediate crushing equipment consists of a seven-foot Symons cone crusher and two sets of 72-inch by 20-inch Garfield type rolls, working in parallel, and in closed circuit with hummer screens.

The screen undersize, approximately 10 per cent. plus ¼ inch, passes through the storage bins—9,000 tons capacity—to the three-stage grinding circuit using Hardinge mills, Dorr and Akins classifiers and Wilfley pumps for circulation. The pulp is delivered to Minerals Separation flotation machines at a consistency of approximately 42 per cent. solids.

The heaviest sulphide, galena, with which most of the silver content of the ore is recovered, is floated first. The separation is accomplished through the use of sodium carbonate, sodium ethyl xanthate and creosote oils as activators and sodium cyanide to depress the zinc. The rough concentrate is cleaned twice and shipped to Trail as a 70 per cent. lead product containing some 26 ounces of silver per ton.

The deleaded pulp passes directly to zinc flotation machines in which a rough zinc concentrate is made using copper sulphate, heat, additional xanthate and oils as activators and lime as an iron depressant. The temperature of all zinc pulps is maintained at 30°C. The rough zinc concentrate is cleaned twice and shipped to Trail as a 51 per cent. zinc product. The Sullivan zinc sulphide is in the form of a high iron marmatite containing about 60 per cent. zinc and 8 to 9 per cent. iron.

The thickening and filtering processes employ Dorr thickeners for both the lead and zinc concentrates, American filters for the zinc, and Oliver drum type filters for the lead.

The lead concentrate is conveyed immediately to standard railway cars on track scales, but the zinc concentrate is first dried to about five per cent. moisture before loading in a similar manner. These together make up a daily train for Trail of some 800 tons of lead concentrate, and 750 tons of zinc concentrate.

Other Mills of the Company

The Company has several mills besides the Sullivan in actual operation, or nearing that stage. The new Golden Rose, near Sudbury, Ontario, a 100-ton plant, employs straight cyanidation, and the Big Missouri, near

Stewart, B.C., a 750-ton project, employs a combination of flotation and cyanidation.

The Con, on Great Slave Lake, a 100-ton unit employing straight cyanidation, is now in operation, and the Box, on Lake Athabaska, a 1,500-ton unit, also employing straight cyanidation, is expected to go into operation during 1939.

The lead refining plant of the Company is the world's pioneer electrolytic lead refinery. It now has a daily capacity of 575 tons. The anode mud from the lead refining operation is treated for the recovery of gold, silver, bismuth and antimony. The silver for the market assays 999.3 fine. The gold is shipped to the Canadian Mint. The most of the bismuth is used in the making of low melting point alloys and in the manufacture of pharmaceutical products. Antimony finds industrial application in hard lead alloys used mainly for battery plates, in bearing and babbitt metals, in rubber goods and in paints.

The Company's plant at Trail produces electrolytic zinc. The production is 400 tons per day, so that the plant is the largest single producer in the world.

The existence of the Chemical and Fertilizer Department depends to a large extent on the fact that the lead and zinc are in the Sullivan ore as sulphides. The first step in the process of producing the pure metals from the lead and zinc concentrates is the elimination of the sulphur as sulphur dioxide gas. The recovery of this sulphur and the development of processes and erection of plants with this object in view was started in 1930. By the end of 1937 approximately $15,000,000 had been spent to this end.

The Company consumes at Trail 100,000 tons of coal a year, all of it coming from the Crowsnest Pass district. Eighty-five thousand tons of coke are used annually. Electric power is supplied by the West Kootenay Power and Light Company, Limited. The installed capacity of the four plants maintained by the Power Company is 226,000 h.p. The Trail plants are operated on a twenty-four hour basis.

Good Industrial Relations

Hand in hand with the industrial expansion of the Trail reduction plants and the Sullivan mine there has been, during the past 20 years, marked progress in sound and harmonious employer-employee relationships. The Industrial Relations programme of the Company covers the hiring, placing, training, promotion, transfer and discharge of employees; wages, salaries, bonuses and profit sharing; hours and conditions of labour; apprentice training; safety and first aid promotion; employees' housing and recreation; group assurance, health insurance and pensions.

The average number of the Company's employees has increased from 475 in 1905 to 6,653 in 1937.

Employees are encouraged to own their own homes. To this end the Company advances building loans to employees at five per cent. interest. Monthly payroll deductions are arranged for repayment of principal and interest, usually spread over a period of eight to ten years. A building inspector is employed by the Company who supervises construction of all houses and sees that they are up to specifications. The Company has also made building sites available to employees for Summer camps at one of the nearby lakes.

A vigorous campaign of accident prevention is maintained by means of free safety and first-aid instruction to all employees. As a result, the

shifts lost per thousand worked have decreased from 21.0 in 1917, to 4.5 in 1937.

A vital factor in the successful administration of the Company's Industrial Relations plan has been the Workmen's Co-operative Committee system, which has been in operation for many years at the Trail and Kimberley plants. Each committee consists of members elected by their fellow-workmen, each member representing one of the various departments for a term of 12 months, 50 per cent. of the membership coming up for election by secret ballot every six months. The General Manager is a permanent member of these Committees and attends meetings either at his request or at the request of the Committee.

The function of the Workmen's Co-operative Committee is to assist the management to run the plants of the Company safely and fairly, also to interpret correctly ideas of the management to the men and those of the men to the management. By co-operation and fair play through the Workmen's Co-operative Committees, cordial relations have been maintained between the employer and employee. Evidence of results is to be found in improved living and working conditions, also in the fact that there have been no serious labour troubles or strikes of any kind since the inauguration of the committee system in 1917.

All applicants for employment are interviewed privately at the employment office located outside the plant boundaries. In the selection of applicants, all other qualifications being equal, preference is given to sons of employees and to those of Canadian birth. A preference is shown also to those who are considered to be of benefit to the community in welfare, artistic, athletic and social activities. Careful selection under these conditions has had the dual effect of building up an efficient body of men for work and a contented community capable of providing a great deal of its own entertainment.

Once established with the Company the employee's position is made as secure as possible. To avoid his being unjustly discharged and to assure him a square deal, the open transfer system has been evolved. If the workman fails to give satisfaction, the usual practice of the foreman is to give him an open transfer, making a written statement of the reasons therefor. Except in the case of a very serious offence or unpardonable conduct, the employee's open transfer is recorded by the Industrial Relations Department and he is put back to work with another foreman. If unsatisfactory to a second department, he is given yet another chance. On being turned in as unsuitable for a third time he is automatically discharged. By this system a good man is fairly well assured of permanent employment with the Company. A workman may appeal his dismissal through the Workmen's Co-operative Committee which reviews his case through an appointed tribunal of his fellow-workmen. The Committee may or may not see fit to appeal the decision.

It has been the policy to give the employee some financial interest in the Company. His wage consists of a base rate of pay, sufficient to take care of his cost of living. In addition to this he participates in profits in the nature of bonuses based on plant efficiency and metal prices. On completion of each two years' service the employee is given a bonus of one share of Company stock.

Since 1932 a five-day week or its equivalent has been in effect. Shift men, comprising those who work in departments of the plant where operations are continuous, work 15 days and then lay off five days. Most of the shop crews and those working on construction, work five days and

lay off two days. Employees wishing to take a vacation or requesting leave of absence, may, when convenient to the Company, take time off equivalent to 10 per cent. of their total period of service with the Company, with no loss of service privileges.

Three months after entering the service of the Company, each employee is covered by group insurance to the extent of $500.00. This amount increases $100.00 for each additional six months' service until the maximum of $1,500.00 is reached. The cost of this insurance is borne by the Company. Under the same group policy employees may subscribe to an additional $1,000.00 coverage at the same low premium rate. A valuable feature of both of these plans is the Total and Permanent Disability clause.

All employees and their dependents receive practically complete medical attention and hospitalization. This service costs the employee $2.50 per month, the Company contributing, directly and indirectly, approximately 90 cents per man per month. Both occupational and non-occupational sickness is covered under this plan. The Consolidated Employees' Benevolent Society, formed and administered by the employees, assists those who are forced to lay off work due to non-occupational sickness or accident. The employee contributes $1.00 per month and is entitled to receive benefits of $1.50 per day for a period of six months in any one year.

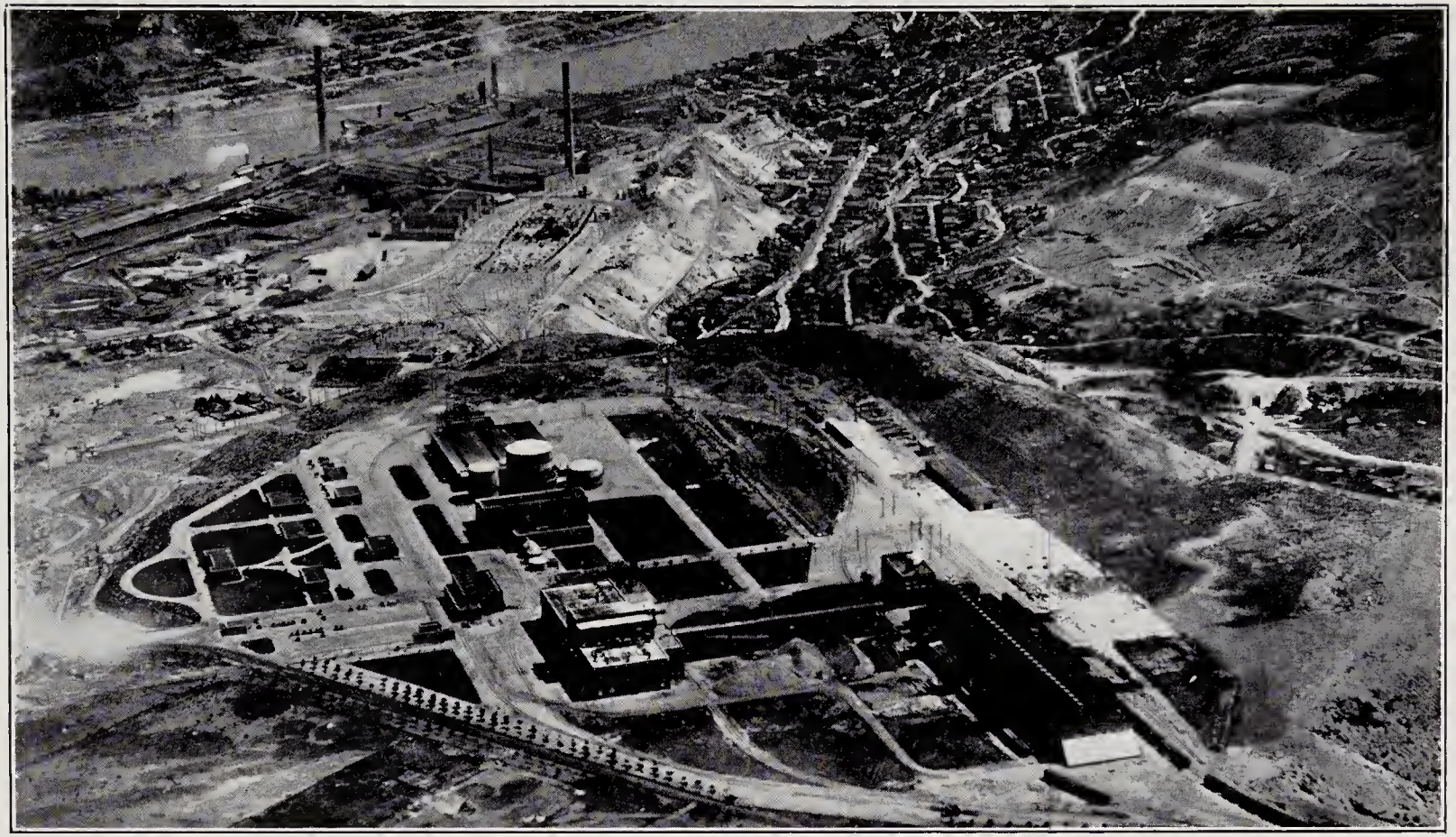
A pension scheme financed entirely by the Company provides retirement payments at the age of 60 years after 15 years of service or at the age of 55 years after 25 years of service. Based on the average earnings for the ten years immediately preceding retirement, a pension is granted of one per cent. for every year of service with a minimum payment of $240.00 per year.

In the interest of youth and to ensure to some extent against a future shortage of skilled tradesmen, the Company offers opportunities to sons of employees to learn one of twelve mechanical and building trades. Under a progressive apprentice training plan the boys are given four hours each week in the Apprentice School under competent technical supervision, together with four and a half years' practical training under qualified tradesmen. On completion of this period of apprenticeship it has been the Company's practice to absorb the apprentices into their own trades if possible. However, when this is not possible they are offered other work until such time as a vacancy occurs in the chosen trade.

THE CONSOLIDATED MINING AND SMELTING COMPANY OF CANADA LIMITED

JAMES J. WARREN ..... President.
SIR EDWARD BEATTY, G.B.E. ..... Vice-President.
S. G. BLAYLOCK ..... Vice-President and Managing Director.
R. E. STAVERT ..... Assistant to the President.
J. E. RILEY ..... Secretary.

METALLURGICAL AND CHEMICAL PLANT ..... Trail, B.C.
HEAD OFFICE ..... 215 St. James St. W., Montreal, Que.
BRANCH OFFICE ..... 302 Bay St., Toronto, Ont.
BRANCH OFFICE ..... Marine Building, Vancouver, B.C.



The Consolidated Mining and Smelting Company of Canada Limited
Chemical and Fertilizer Plant, Trail, B.C.

CANADIAN INDUSTRIES LIMITED

TWENTY-SEVENTH ANNUAL REPORT

FOR THE YEAR ENDED 31st DECEMBER, 1937

The Directors have pleasure in submitting herewith the Twenty-seventh Annual Report of Canadian Industries Limited, together with the Balance Sheet, and the Income and Expenditure and Surplus Accounts for the year ended 31st December, 1937.

The natural industrial recovery already in progress continued at an accelerated rate throughout almost the whole of 1937. Certain fundamental problems facing the country still remain unsolved, however, and this fact, along with taxation increases to which effect has been given in recent years and possible repercussions from the unsettled political conditions obtaining in the United States, renders it difficult to gauge the probabilities for 1938.

The Company, in common with many others, enjoyed another period of substantial progress and expansion. Sales volume surpassed previous records and this made possible lower selling-prices and further security measures for employees, in spite of the considerably higher prices for raw materials.

In submitting an annual report, the Board feels that its responsibility embraces more than the obligation of presenting to shareholders facts of a statistical character only. In this Report, therefore, the Board reviews the Company's activities and developments for the year 1937, and, in addition to the figures which shareholders are accustomed to receive, attempts to give further descriptive information which may lead to an enlarged understanding on the part of the shareholders of the policies followed, and their bearing on the Company's future trend.

Financial Review of Year 1937

After providing for income and capital taxes at the prevailing rates, and after making adequate provision for depreciation and other contingencies, the year under review yielded an Income from all sources of $5,721,862, equivalent to $7.86 per share of common stock, this as compared with $6.45 per share earned in the year 1936. The 1937 Earnings include a non-recurring gain equivalent to 22 cents per share realized on the sale of marketable securities. The continued growth in the manufacturing activities of the Company is emphasized by the fact that the earnings derived from that source expressed as a percentage of total earnings (excluding those from the realization of marketable securities) rose from 83 per cent. in 1936 to 88 per cent. in 1937.

Dividends

Dividends at the rate of 7 per cent. *per annum* were paid quarterly on the preferred stock. For the full year 1937 dividends on the common stock totalling $7.50 per share, as compared with $6.00 per share in each of the preceding three years, were declared—payable on the following dates: 30th April, $1.50; 31st July, $1.50; 30th October, $1.75; 28th December,

$2.75. Earnings over and above dividend requirements, amounting to $249,000, were retained in the business and carried to earned surplus, thereby increasing this account, after providing for a retroactive tax adjustment, to $3,588,945 as compared with $3,352,060 at the end of the previous year.

Net Current Assets

As a result of larger expenditures incurred during the year for the provision of new and improved manufacturing facilities, Net Current Assets are slightly lower than a year ago. At $14,700,000, at 31st December, 1937, they are, however, adequate. The increased volume of business and the higher prices of raw materials have caused inventories—valued as usual at the end of the year at the lower of cost or market price—to increase to $6,955,000. About one-half of the inventories consists of finished or partly finished products.

Fixed Assets

The investment in plants, buildings, equipment and land is carried on the Balance Sheet at $31,183,000, which is estimated to be a figure somewhat lower, in the aggregate, than the present-day replacement cost. The construction and expansion programme for the year involved Appropriations of over $5,000,000, of which $2,837,000 has already been expended and appears as an increase in the Fixed Assets. A large part of the Expenditure was incurred for the new alkali-chlorine plant at Shawinigan Falls, Quebec, still under construction, and for the acquisition of a further fertilizer works in Ontario. In a business of the character in question, and especially owing to the chemical nature of the products involved, changes and additions to keep abreast of present-day technical advances must, of necessity, be very much of a continuous process. The remainder of the Expenditure was, therefore, incurred in modernizing existing facilities in order to provide lower cost or improved quality of product, and also in necessary extensions to existing facilities to supply the increased demand from customers. All plants and equipment have been maintained in a state of thorough efficiency, involving an expenditure of $1,190,000 for repairs. Furthermore, the necessary provision has been made for long-term depreciation by charging into operating costs an amount of $1,488,000 —an increase of $62,000 over the previous year.

Investment Income

The total of the investments in subsidiary and other industrial companies, referred to under the heading of "Managed Investments" has increased by only a comparatively small amount during the year. Holdings of marketable securities—almost entirely represented by Dominion Government bonds—are, as a result of the cash required for the construction programme, approximately $1,100,000 lower than a year ago. These holdings, totalling $7,112,000, are recorded on the Balance Sheet at cost, and the market value at 31st December, 1937, was lower by approximately $120,000.

The income from investments includes the profits earned in 1937 by companies in which a substantial or controlling interest is held, only to the extent of your Company's share of the dividends declared; the accounts of these companies not having been consolidated with those of this Company.

The total income from all investments other than in the manufacturing operations of the Company itself, after providing for taxes at the prevailing rates, was approximately 17 per cent. lower than in the previous year.

This reduction was partly due to the smaller holdings of marketable securities already explained, and to the lower interest return on such securities, and partly to the reduced dividend—$3.75 per share as compared with $4.50 in the previous year—received from the Company's holdings of common stock in General Motors Corporation.

Taxes

As mentioned in last year's Report, it is not possible to do more than infer from the amount of taxes levied in respect of the Company's operations, the effect that such taxes inevitably have in maintaining the selling-prices of Company products at a higher level than would otherwise be necessary. *Excluding* Sales tax paid by the Company and its customers, and customs duties paid on imports of component materials, the total amount payable to Federal, Provincial and Municipal taxation authorities amounted in respect of 1937 to $1,469,000, which is equivalent to $2.14 per share of common stock. Taxes were paid under many classifications and apart from real-estate taxes and licenses, the Company contributed to three forms of Sales tax, five forms of Capital tax, and seven forms of Income tax. A simplification of the many and complicated forms of taxation, having regard to approved business practices, would be of general benefit to industry and therefore to employment conditions.

Operating Review of Year 1937

The Company's sales, which included various newly-developed products, showed a substantially higher increase than was general as a result of the business recovery already referred to. An increase in value of 23½ per cent. over the previous year was recorded, with all divisions contributing a satisfactory share of the increased volume.

Further reductions in selling-prices—a characteristic feature in the history of most of the Company's products—lowered the price index of C-I-L products (1925=100) to 76.5 by the end of 1937. This reduction resulted sometimes from product competition and at other times from the effects of a continuance of the Company's long-established policy of stimulating consumption by deliberately passing on to the consumer a share of the benefits derived from greater manufacturing efficiencies.

Cellulose Products Group

Sales of "Cellophane" continued to increase throughout the year and during the Summer season of maximum production a high efficiency of output had to be sustained. In consequence almost the full capacity of the new equipment brought into operation in the middle of the previous year was utilized. The advantages of "Cellophane" in the merchandising of a large variety of goods were still further demonstrated and the construction of additional manufacturing facilities are at present nearing completion.

Although the general industrial sales of the "Fabrikoid" Division experienced some expansion during the year, business continued to be affected by the disturbed conditions in the corresponding industry in the United States, a situation which was aggravated by the lesser protection afforded against imports. Sales to the automotive industry increased slightly over those of the previous year; the further loss of business resulting from the extensive use of metal tops being offset by new developments in upholstery lines, particularly for commercial vehicles. The manufacture of buckram, principally for the shoe industry, began in January, 1937, and a satisfactory volume of business was obtained.

The Paint and Varnish Division benefited considerably from the improvement in automobile production and in industrial and retail trade. Increased activity in the construction trades also contributed to more satisfactory results in the paint industry as a whole. Further modernization of equipment in the Montreal works (acquired in 1935) has improved considerably the Company's manufacturing facilities in the Province of Quebec, and the central laboratory in Toronto has continued its work of maintaining at the highest possible standard the quality of the entire range of household and industrial paints.

Manufactured lines of the Plastics Division, despite extremely severe competition from Japanese and German goods, maintained a small lead over last year. Re-sale business was considerably above 1936—X-ray film being the principal new line added to the re-sale activities of this Division in 1937.

Chemical Group

The demand for the products handled by the General Chemicals Division showed a further increase. The continued expansion in the production of bleached sulphite and kraft pulp, which placed a heavy load on the chlorine plants, together with activity in the rayon and other caustic soda consuming industries, necessitated capacity operations at your Company's alkali plants throughout the year. To meet this growth in demand construction was commenced in June of a new plant at Shawinigan Falls, Quebec, which is expected to be in production towards the middle of 1938. Operations at the acid plants were also maintained at a high rate of capacity due to an increasing demand from all consumers, particularly for the manufacture of superphosphate.

The activities of the Organic Chemicals Division, consisting largely of the re-sale of imported chemicals to the mining, rubber and textile industries, showed further progress. The demand for specialty chemicals continued to expand and the production of trichlorethylene and perchlorethylene, which began at Shawinigan Falls, Quebec, in 1936, showed a satisfactory increase due to developments in the degreasing and dry-cleaning fields.

The unsatisfactory selling-price situation reported last year continued to affect the operations of the Salt Division. The demand for Company products showed further expansion, however, and the plant operated at a high rate of production. It is expected that even better quality and lower cost will result during 1938 from a continuation of the programme of introducing improved production facilities.

Explosives and Ammunition Group

With the increased consumption of dynamite for mining and construction purposes, the Explosives Division again enjoyed a larger volume of business. Despite sharp increases in the cost of some raw materials, this additional volume made possible a further reduction in selling-prices. Some additional equipment was installed to assure continuity of supply to the trade, and existing manufacturing facilities were maintained at a high state of efficiency. In order to serve the growing mining area in the Province of Quebec, a sales office was opened at Bourlamaque.

Even though game conditions generally did not improve, continued intensive efforts toward increasing the use of sporting ammunition for target-shooting, together with the greater efficiency achieved at the works by improvements in products and in factory processes, resulted in a somewhat more satisfactory year for the "Dominion" Amunition Division.

The policy of the Company in dealing with military ammunition business, explained in previous annual reports, remained unchanged, and the extent of such sales in 1937, including supplies to police forces, was less than two-thirds of one per cent. of the total sales value of all products manufactured or sold by the Company in that year.

Fertilizer Group

The improvement in sales reported last year, which resulted in this group obtaining an operating profit for the first time since your Company entered the fertilizer business in 1930, continued throughout 1937, and, in conjunction with manufacturing improvements, produced a moderate return. In August the Company acquired the assets and business of the Canadian Fertilizer Company Limited, at Chatham, Ontario. Further progress was made in the sales of insecticides, seed disinfectants and mineral supplements, which now form an important part of the business.

Chemical science is being increasingly applied in developing the fertilizer industry, through technical advances in the preparation of products to meet agricultural requirements.

Managed Investments in 1937

In the latter part of 1936 the Company became interested in two new enterprises. A comparatively small investment was made in Aluminate Chemicals Limited, formed to re-sell sodium aluminate and other chemicals for the treatment of boiler-feed water, and progress was made in the initial development of sales. An investment was also made in Canadian Titanium Pigments Limited. The latter company was incorporated to sell titanium pigments for use largely in the paint industry. Its sales are expanding and the company enjoyed a profitable year.

Additional manufacturing facilities were installed to meet the increase in the volume of sales of Canadian Safety Fuse Company Limited. This company continued to progress and a further reduction in selling-prices was achieved.

Chiefly as a result of the increased production in the automotive industry, a record year in sales volume was experienced by Canadian Hanson & Van Winkle Company Limited and the results obtained reflected credit on the local management.

No dividends were received from your Company's minority holding of stock in Dunlop Tire & Rubber Goods Company Limited, but for the first time since 1929 the company earned a net profit from operations. A reorganization of the company's capital structure has been approved by its shareholders and an earlier resumption of dividends on the preferred stock should as a result be possible.

Departmental Organization During 1937

Manufacturing and re-sale operations continued to be administered in ten divisions directed by four group general managers. Acting under the guidance of these general managers, in whom is vested the responsibility for carrying out broad Company policies and for achieving results, the division managers concern themselves primarily with the problems of expansion, sales and production control. The groups are served by specialists in centralized departments, the functions of which are briefly described below.

Advertising Department—designs and arranges institutional displays and co-ordinates the advertising programmes of the industrial divisions.

Engineering Department—superintends the construction of new units and co-operates with the industrial divisions in improving the plants, buildings and equipment at each of the twenty-five works of the Company. This specialized technical service is of considerable value to the Company in its unceasing efforts to improve still further the quality of its products, to create and develop new products and to reduce its cost of manufacturing.

Mechanical Efficiency Department—reviews mechanical equipment innovations from all sources and installs improvements at the various operating units of the Company.

Patent Department—develops and scrutinizes the use of trademarks and advises on all questions involving patents.

Purchasing Department—in its purchasing activities follows closely the fluctuations of prices of requisite raw-materials in the wide-spread markets.

Research and Development Department—assists the industrial divisions in the investigation of production problems and the development of new processes and products. Entirely apart from the invaluable technical assistance contributed by Imperial Chemical Industries Limited and E. I. du Pont de Nemours and Company Incorporated, your Company, recognizing as it does the vital importance of technical developments in the chemical industry, continued to expend considerable effort in research and in all branches of laboratory work.

Secretarial Department—in addition to regular secretarial duties, furnishes advice regarding legal matters and interprets legislation; studies industrial relations, supervises welfare plans and promotes safety and fire protection.

Publicity Bureau—forming part of the Secretarial Department—engages in general publicity work and publishes, in alternate months, separate French and English editions of the magazine "C-I-L Oval", which now has a national circulation of nearly 40,000 copies per issue. It also publishes the employees' monthly newspaper, "C-I-L Contact", in French and English.

Traffic Department—regulates the routing of freight and advises on customs tariffs.

Treasurer's Department—establishes accounting policies, co-ordinates accounting, studies taxation and administers investments and customer credit.

Company's Employee Relations

The number of employees increased 11 per cent. over 1936, and numbered almost 3,900 at the end of the year. In addition, companies for the management of which your Company is responsible, now have over 1,000 employees.

In previous years the Board has always recorded its appreciation of the important contribution made by employees, through their loyalty and co-operation, to the progress of the Company. This appreciation was never greater than at the present time, and the Board feels that it is best recognized by the continued development of opportunities for open discussion of questions of mutual interest and by the assistance given in obtaining the advantages of co-operative effort directed towards increased social security and improved health. The various welfare plans in force may, therefore, be regarded as

practical accomplishments arising out of the management's recognition of its responsibility, not only for efficient operation, but also for the maintenance of satisfactory relationships with employees—this in order that the common interests of employees and shareholders may be furthered.

The number of welfare plans in operation was increased during the year by the introduction of a Disability Wage Plan.

The Employee Representation Plan, through thirteen works councils, continued to be instrumental in furthering a sound and satisfactory relationship between your Company and its employees. Matters pertaining to wages, hours of work, working conditions and employee activities were freely discussed and settled in a spirit of co-operation. The Plan, which originally called for equal representation of employees and management, was altered to allow for a preponderance of employee representatives wherever employees felt such a change would advance the Plan's objects.

During the year, additional legislation and collective labour agreements regarding wages, hours of work and other conditions of employment, have come into force, but owing to your Company's policy of providing fair and progressive working conditions only minor adjustments have resulted therefrom.

Under the Vacation Plan, 1,965 eligible payroll employees received a vacation with pay, the amended terms of the Plan providing for one week after six months' service and two weeks after twelve months' service. Salaried employees also continued to enjoy similar vacations.

The Disability Wage Plan, also operated wholly at the Company's expense, was introduced in August in order to give sick or injured payroll employees an income equivalent to full wages up to a maximum of thirteen weeks during periods of disability exceeding seven days.

Employees participating under the Co-operative Sickness and Non-occupational Accident Insurance Plan received over $25,000 during the year; the individual amounts varying from $5 to $25 weekly according to earnings. The Company contributes a higher proportion of the individual premiums for lower-paid employees, and of the total premiums for all employees 37 per cent. was paid by the Company. While the Disability Wage Plan maintains an income equivalent to full wages during a period of disability, amounts received under the Insurance Plan are intended to assist employees to meet the additional expenses resulting from sickness or accident.

On the termination of the 1936 Co-operative Savings Plan in June, 1937, the deposits by employees, together with interest and the Company's contribution, involved a distribution of nearly $280,000 amongst the 2,077 participants. A similar Plan was introduced in July, but the period was extended to eighteen months, as termination to coincide with the end of a calendar year appeared to be desirable. Eligible employees may deposit regularly up to 10 per cent. of their earnings, but not more than $20 each per month. Interest is allowed at the rate of 3 per cent. per annum and the Company adds a contribution of 25 cents to each dollar saved.

The 1937-1938 Stock Investment Plan followed the previous year's Plan in July with similar terms and thus afforded an investment for funds accumulated under the 1936 Co-operative Savings Plan. Participation, with a larger number of eligible, remained at the same high level and 1,020 employees subscribed for 2,558 shares of the Company's preferred stock. Those who retain their shares and continue in the employ of the Company will receive extra payments of $5 a share during each of the next three years.

The Savings Plan and the Investment Plan are restricted to those employees receiving less than $3,001 and $3,601 a year respectively.

Under the Pension Plan, 15 employees were retired on pensions during the year, raising to 73 the total number of pensioners. Your Company bears the entire expense of this Plan, and since 1919, when the Plan was inaugurated, 106 employees have been pensioned. In response to the requests of employees, submitted through works councils, a study is being made of a retirement plan with contributory and contractual features.

The Employees' Benefit Plan provided death benefits amounting to $22,000 for the beneficiaries of 11 employees and 4 pensioners who died during the year. Death benefits varying from $1,000 to $1,500, depending upon the length of service, are paid by the Company.

The Bonus Plan is effective only when the earnings from operations, exclusive of income from investments, exceed 6 per cent. on the manufacturing investment. An amount of not more than 15 per cent. of such excess is applied to the purchase of class "B" non-voting common shares, which are awarded to provide extra compensation to employees who have contributed to an unusual extent to the success of the Company. The Plan has been in force for nineteen years and for the year 1937 shares purchased from the Company have been awarded and will be distributed in equal instalments over a period of four years to 172 employees. By this means the Company is enabled to reward especially outstanding services without building up fixed overheads to the same degree, and to foster by stock ownership an interest in the continued progress and welfare of the Company.

Figures furnished by the No-Accident Record Plan show that employees, by their unremitting watchfulness and careful observation of regulations throughout the year, have achieved a new low rate for the frequency of major occupational accidents, although the rate of such accidents in the manufacturing industry as a whole increased considerably.

Awards for the year to eligible employees under the Service Pin and Watch Plan numbered 428 service pins and 28 watches. A distinctive gold pin is awarded on the completion of each five years of service up to and including twenty-five years, at which time a gold watch is also awarded.

On behalf of the Board of Directors,

ARTHUR B. PURVIS,
President and Managing Director.

Montreal, Canada, 3rd March, 1938.

CANADIAN INDUSTRIES LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER, 1937

Income from Operations after charging $1,488,623 for depreciation ..		$ 6,651,322
Income from Investments	$ 797,602	
Profit on sale of Marketable Securities	152,155	
		949,757
		7,601,079
Less:		
Directors' Fees	$ 11,000	
Remuneration of 25 Executives, including bonus awards	632,599	
Legal Expenses	5,343	
Reserve for Income Taxes	1,230,275	
		1,879,217
Net Income for the year 1937 transferred to Earned Surplus Account		$ 5,721,862

EARNED AND CAPITAL SURPLUS ACCOUNTS

	Earned Surplus	Capital Surplus
Surplus at 1st January, 1937	$ 3,352,060	$14,912,277
Additional tax due to retroactive amendment to the Corporation Tax Act of Ontario and other prior-year adjustments	*12,407*	
Net Income for the year 1937 as per Income and Expenditure Account	5,721,862	
Profit on the sale of Capital Assets less adjustment in the book values of Idle Real Estate		23,491
	9,061,515	
Dividends for the year 1937:		
Preferred 7% Cumulative Stock	325,500	
Common Stock ($7.50 per share)	5,147,070	
	5,472,570	
Surplus at 31st December, 1937	$ 3,588,945	$14,935,768

ASSETS

Current Assets			
Cash		$ 587,716	
Marketable Securities (market value $6,990,000)		7,111,784	
Government	$ 6,859,130		
Others	252,654		
Accounts Receivable, less reserve for doubtful accounts		3,403,310	
Customers' Accounts	$ 2,758,688		
Subsidiary Companies	181,952		
Accrued Revenue from Investments and Other Accounts	462,670		
Inventories, valued at the lower of cost or market price		6,954,947	$18,057,757
Deferred Charges to Operations			65,461
Preferred Shares, in Trust for Employees' Stock Investment Plans			937,050
Fixed Assets			
Plants, Buildings and Equipment, based on the appraisals of the National Appraisal Company (1927 to 1929), as adjusted by the Company's own engineers, with subsequent additions at cost		29,704,428	
Land, at cost		1,478,355	
Goodwill, Patents and Processes		3,408,151	34,590,934
Investments in Subsidiary Companies		707,400	
Shares in Other Companies (including marketable shares, book value $2,500,000, market value $3,750,000)		3,587,685	4,295,085
			$57,946,287

LIABILITIES

Current Liabilities			
Accounts Payable		$ 1,989,535	
Subsidiary Companies		5,604	
Dominion, Provincial and Municipal Taxes		1,293,752	
Dividends Declared		81,375	$ 3,370,266
Deferred Liabilities			206,935
Reserves			
Depreciation of Securities		1,200,000	
Depreciation of Plants, Buildings and Equipment		13,768,299	
Pension and Benefit Plans and Self-Insurance		2,454,717	17,423,016
Capital Stock			
Authorized	Shares		
Preferred 7% Cumulative Stock (par value $100)	75,000		
Common Stock (no par value)			
Class "A" Voting	660,000		
Class "B" Non-voting	690,000		

LIABILITIES—*Continued*

Issued and Fully Paid			
Preferred Stock		46,500	4,650,000
Common Stock			
Class "A"	615,974		
Class "B"	70,302		
		686,276	13,771,357
(Issued during the year to employees under the Company's Bonus Plan, 3,276 Class "B" shares—$409,500)			
Capital Surplus			14,935,768
			33,357,125
Earned Surplus			3,588,945
			$57,946,287

Approved on behalf of the Board,

ARTHUR B. PURVIS }
C. C. BALLANTYNE } Directors.

Audited and certified in accordance with our attached certificate.
P. S. ROSS & SONS, Chartered Accountants.

Montreal, 24th February, 1938.

AUDITORS' CERTIFICATE

We have audited the books of account and financial records of Canadian Industries Limited for the year ended 31st December, 1937, and have obtained all the information and explanations we have required.

The inventories shown on the attached Balance Sheet have been determined and certified by the management of the Company.

In accordance with Section 114 of the Dominion Companies Act, we report that the profits earned by Subsidiary Companies for the year 1937 have been included in the attached accounts only to the extent of the dividends declared and received or receivable by this Company. The balances of these profits have been carried forward in the books of the Subsidiary Companies and are, in the aggregate, in excess of the losses sustained by two Subsidiary Companies, which losses have also been carried forward in the books of those Companies and have been provided for in the attached accounts.

We certify that, in our opinion, the attached Balance Sheet and relative Income and Expenditure Account and Surplus Accounts are properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at 31st December, 1937, and the result from operations for the year ended that date, according to the best of our information and the explanations given to us and as shown by the books of the Company.

P. S. ROSS & SONS,
Chartered Accountants.

Montreal,
24th February, 1938.

DEVELOPMENTS AND OPERATIONS

OF

IMPERIAL OIL LIMITED

AS SUBMITTED TO THE TARIFF BOARD OF CANADA

NOVEMBER 4th, 1935

Pursuant to instructions issued to the Tariff Board on Jan. 23, 1935, by the then Minister of Finance, the Hon. E. N. Rhodes, an extensive enquiry into the petroleum industry was held by the Tariff Board during the years 1935 and 1936.

The Tariff Board held sittings in Vancouver, Calgary, Regina, Saint John and Halifax and final sittings in October, 1936, in Ottawa. Many witnesses representing various interests from all parts of the country were heard.

Among the interesting data compiled was the history of the development and activities of Imperial Oil Limited which is the largest and oldest refining company in Canada.

The record of the Company's developments and operations as submitted to the Board under date of Nov. 4, 1935, follows:

Oil Refining in 1858

Oil refining in Canada was inaugurated in Oil Springs, Ontario, in 1858 by J. H. Williams. In a simple retort he boiled "gum" from the petroleum "gum beds" of the district and produced a burning oil which sold for $1.00 a gallon.

In 1862 James Shaw drilled to large production near Oil Springs and in the same year Williams built a refinery at Hamilton and another refinery was built at Woodstock. Wooden barrels were filled with the crude at Oil Springs and teamed twelve miles north to the newly-founded town of Wyoming where also there were several small refineries. Most of the oil was shipped from Wyoming by the Great Western Railway to Hamilton and Woodstock. Each of the refineries at these points had a capacity of about 100 barrels of crude oil per week and its processing methods, though primitive, were closely guarded secrets. The stills were of cast iron, of 15/20 barrels capacity, similar in appearance to the old steam boiler mounted on brick foundations, and equipped with simple water-cooled condensers. The principal product was an amber-coloured kerosene and the prevailing price of $1.00 per gallon soon resulted in the establishment of a number of other small refineries at London and Petrolia, where oil was discovered a few months after Shaw completed his well at Oil Springs. As time progressed the initial distillation method was supplemented by a simple chemical treatment to purify the products.

About 60 per cent. of the kerosene manufactured in Canada was shipped to the United Kingdom, the Continent and Mediterranean ports. Gasoline was then unwanted. The demand for lubricants was limited and little was known of the process of manufacturing lubricating oils. Gradually petroleum naphtha superseded alcohol as a fuel for cooking purposes

and it was found that certain fractions of petroleum were more suitable than animal fats for lubrication. So the markets gradually expanded.

The Western Ontario fields had been mistakenly regarded as potentially larger producers than Pennsylvania but by 1867 production in Pennsylvania had increased to such an extent that a tariff was necessary to permit the Canadian refineries to operate. Duties were imposed of 10 cents a gallon on kerosene and 15 cents a gallon on other refined products of petroleum. By 1868 the overproduction in Pennsylvania had reached a point where it was necessary to set protection at 15 cents on kerosene, naphtha and refined petroleum, and to place a duty of 6 cents per gallon on crude oil for the protection of the Canadian producers. By 1873 Canadian refineries had lost their export markets and a considerable part of their domestic market to Pennsylvania. Notwithstanding, in 1877 the duties on all refined products were reduced to 6 cents per wine gallon, (7.20 cents per imperial gallon). Following this, the situation became so difficult that the Canadian refiners formed a syndicate to protect their interests. Refineries were either closed, leased or given a production quota, but even these measures could not avert ruin for some of them.

Formation of Company in 1880

In September, 1880, seven of the refiners in London and Petrolia consolidated their resources and equipment, with a paid-up capital of $292,800, and formed The Imperial Oil Company, Limited. One of the first steps of the new company was to transfer refining activities to Petrolia instead of transporting the crude oil in wooden barrels to London for processing. This materially reduced transportation costs, as there was no further need to pay teaming and freight charges on wastage. Economies were also developed in manufacturing. Herman Frasch was engaged as a chemist and fractional distillation was introduced. This resulted in larger recovery of the marketable fractions of the crude oil.

The new company successfully developed markets in Ontario but made little progress in Quebec and the Maritimes because its limited capital was insufficient to permit it to expand simultaneously in the West and the East. Further, the East was well served through Canadian jobbers by Pennsylvania refiners who enjoyed advantages of lower costs and lower transportation charges.

In 1881 The Imperial Oil Company, Limited, sent its first representative to the Canadian West. In 1883 the Company opened its first Western bulk plant at Winnipeg, when the population of that city was approximately 8,000. Simultaneously a branch office was established at Winnipeg to direct marketing operations from Fort William to the Pacific Coast.

Railroad construction was then slowly linking up the various districts of the West. As settlement increased in the neighbourhood of what are now such centres as Regina, Prince Albert, Edmonton, Calgary, Revelstoke, Nelson and Vancouver, supply depots were established at these points and delivery to surrounding territories was made from these depots. But only comparatively few points could be reached by rail. Transportation of products, which at that time were largely those used for illumination and lubrication, was effected by ox or horse-drawn vehicles, most of which tracked hundreds of miles monthly to make delivery to retailers and consumers. In British Columbia this service contributed materially to the efficient and economic operation of the mining and lumbering industries.

On the Prairies it helped to mitigate the hardships encountered by the early pioneers.

In 1895, the volume of Imperial Oil's business in Western Canada had exceeded the quarter million dollar mark. Of this gross value of sales, more than one-third was absorbed by freight charges alone.

By 1896 there was need for larger refining capacity. Wastage in refining had been largely eliminated through the development of markets for most of the components of crude oil. Consequently, it was no longer important that the refinery should be located at Petrolia. As lower transportation costs for refined products were important it was felt that refining facilities should be moved to Sarnia where bulk boat shipments on the Great Lakes would be possible and to which crude oil could be transported through a 16-mile pipe line from the Petrolia field.

Capital Supplied by Standard Oil

The Company's surplus, however, had been expended in Western Canada and it could not itself furnish the necessary capital for the erection of a new plant and creation of bulk transportation equipment. Efforts to secure this capital in Canada were unsuccessful. Canadian and other British investors were more interested in oil production, in which they saw opportunities for quick returns. Moreover, they had in mind the disasters which had overcome the many refineries in Western Ontario a few years before. So Imperial Oil had to look to the United States for capital. Its officers realized that if they did not increase capacity some other interests would. Accordingly they approached the Standard Oil Company, New Jersey, which, after a survey of the Canadian situation, provided the required capital in exchange for a majority interest.

With the new funds available the Company purchased the Bushnell Oil Company, a small refinery which occupied part of the waterfront property on which the Imperial's Sarnia refinery now stands. The Petrolia equipment was moved to Sarnia.

The all-time peak of crude oil production in Western Ontario was attained in 1894 with an output of 829,104 barrels. This fell to 486,637 barrels in 1903 and, because of the duty of 5 cents per imperial gallon on crude oil, it could not be imported and profitably refined. It was certain that with the inadequate supply from Petrolia the Sarnia refinery, whose staff had been reduced to 111 employees, would have to close. The Government's attention was drawn to the precarious situation and the then Minister of Finance, Honourable W. S. Fielding, visited Petrolia and Sarnia and personally investigated conditions. As a result, in 1904 the import duty on crude petroleum of .8235 Specific Gravity or heavier was removed and for years thereafter crude oil from Ohio was imported by boat during navigation seasons and by tank cars during the winters. The Company verbally promised the Government that imports of crude oil would be supplementary to the available supply from Western Ontario and it has ever since purchased all the available production in those fields. In line with the removal of duty on heavy crude oil, the duty on gasoline was adjusted to 2½ cents per imperial gallon and to compensate the Canadian crude oil producers for the removal of the duty on crude, a bounty of 1½ cents per imperial gallon was established for crude oil produced in Canada. The Government continued to pay this bounty until 1924, when it was reduced to ¾ cent for a period of one year and then abolished. In 1905 the daily crude oil throughput at Sarnia refinery increased to 2,323 barrels as compared with 874 barrels in 1903.

In 1912 crude oil production in Western Ontario was 658 barrels daily as compared with Sarnia's requirements of 3,113 barrels. The resulting volume of crude oil imports warranted construction of a pipe line which was built in 1913 over a 151 mile right-of-way from Cygnet, Ohio, to the International boundary, where it connected with a line from the Sarnia refinery. Sarnia's requirements continued to increase and the Mid-Continent field developed as a large producer of a grade of crude oil more desirable than the Ohio production. Accordingly the pipe line was linked with the main pipe line system in the United States which was serving refineries in the localities of Cleveland, Buffalo and the Eastern seaboard. By joining up with the main pipe line system, Imperial was able continuously to increase its throughput at Sarnia until in February, 1931, the average throughput was 22,916 barrels daily. The investment in the Sarnia refinery in 1904 was $745,807.46 and since then the capital investments in that plant have been brought up to $16,956,897.64.

Effect of Colonization and Railway Expansion

Discovery that hard wheat of premium quality could be grown in the Northwest and pursual of an energetic colonization programme resulted by 1908 in settlement on a large scale over vast areas. Power machinery was brought in to break up the land. This demanded convenient and dependable supplies of fuels and lubricants. In 1909 there were 40 Imperial Oil distributing stations serving the settlers on the Prairies and the industrial enterprises in British Columbia. Gasoline and kerosene from Sarnia were moved by tank ship to Fort William and thence by tank car to Winnipeg. At Winnipeg they were barrelled and moved on in the economically available territory whose limits were set by laid-down costs from the Mid-Continent and Rocky Mountain fields. British Columbia, where a divisional office had been opened up at Vancouver in 1902, was served from California.

Supplies purchased in the United States for distribution on the Prairies were imported both in barrels and tank cars but as the number of bulk stations was increased, tank cars were depended upon more and more. By 1910 the internal combustion engine was an important equipment in Western farming operations and motor car ownership was increasing rapidly. During 1910 and 1911 a large programme of installation of bulk plants for kerosene and gasoline was carried out, and at the end of 1911 there were 120 such plants in the West. Tanks measuring 11 feet by 20 feet, each having a capacity of 370 barrels, were built at Sarnia refinery and moved West on flat cars. Construction gangs from Sarnia met the cars at various points and set up the tanks. Simultaneously, hundreds of carloads of steel barrels were distributed in the field. There was a rapid expansion of railway facilities as branch lines reached out from the main lines and the establishment of scores of towns could be summarized as, first the box-car station and then the grain elevator and the Imperial Oil depot, which consisted of two tanks and a warehouse.

In order to control activities more effectively and to serve the markets more efficiently, divisional offices were opened by the Company in 1912 at Regina, Saskatoon, Edmonton and Calgary.

In the meantime large tankage had been constructed at Fort William and tank ships acquired to move products from Sarnia refinery to the head of the lakes, and to supply shore tankage as far east as Toronto. The Company also found it necessary to buy tank cars because the railways would not provide these. By 1912, 400 tank cars had been purchased. It was soon apparent that these would be inadequate to maintain stocks

at bulk points because it required from three weeks to a month for a tank car to make a round trip from the Prairie stations to the United States refinery points in the Mid-Continent areas. The Company now owns 2,396 cars.

By 1913, bulk stations on the prairies had been increased to 308. The number has since been brought to 1,046.

No matter how carefully prepared, the estimates of Prairie requirements would usually prove wrong because consumption depended largely upon crop conditions which could not be forecast. But whether estimates were right or wrong, deliveries could not be depended upon, because no iron-clad contracts could be drawn in view of the extreme variations in the supplies and the prices of products in the United States.

In order to ensure a more dependable supply, an effort was made in 1913 to procure special freight rates to permit storage in transit in Canada. The plan was that during the 8 or 9 months of low consumption on the Prairies a consistent flow of products would be maintained from the supply points in the Mid-Continent area to several large storage points on the Prairies. During the few weeks of peak consumption the tank cars would be withdrawn from the long hauls to the greatest extent possible and placed in the short hauls between the several large storage points on the Prairies and the numerous small bulk stations. However, the railways did not favour such rates and consequently the tank car fleet had to be largely augmented to meet purely seasonal demands. During the greater part of the year most of the Company's cars stood idle on railroad sidings.

About 1914 the newly discovered oil fields of Wyoming superseded to some extent the Mid-Continent areas as suppliers of gasoline and kerosene for the Prairies. While this source was nearer to the Prairies as the crow flies, the average rail haul was not much shorter than from the Mid-Continent area. The Company had to supply its own cars to Wyoming in order to get deliveries.

War Demands: Increased Capacity

The war demands of the Allies soon strained refinery capacity in the United States and to meet urgent requirements a country-wide programme of refinery construction in Canada was decided upon. The construction of Ioco refinery in Vancouver harbour, begun in April, 1914, was rushed to completion and the plant was in operation by January, 1915.

Construction at Regina was begun in February, 1916, and completed in record time by September of that year. With the availability of the Regina plant more effective distribution was possible. As soon as harvest demands had been satisfied the tank cars, instead of going onto sidings to lie idle, were immediately used to transport crude requirements from Wyoming for refining at Regina and to fill a large crude oil storage which had been built there. When the period of peak demand for harvest arrived, the tank cars, to the greatest extent possible, were taken out of the crude oil service and were cleaned and used on the short hauls between Regina refinery and the Prairie bulk stations. In substance, by building the Regina plant, the Company obtained the same result as it had previously tried to obtain through a freight rate arrangement that would permit of storage of products in transit. It ensured dependable supply.

At the same time, the capacity of Sarnia refinery was increased; the tank farm at Fort William was greatly enlarged; the boat fleet was expanded.

The demand for foodstuffs rose sharply and there was an enormous increase in agricultural activity but, notwithstanding, there was not one failure to meet requirements of petroleum products throughout the country.

Construction of the Montreal East refinery was begun in January, 1916. Immediately on its completion in December, 1916, construction of the refinery at Imperoyal, Nova Scotia, was started and was completed early in 1918. Both these refineries manufactured enormous quantities of gasoline and fuel oils for the Allied military, naval and troop transport services.

As agricultural activities in the West had been enormously expanded by war demands and as mechanization of farming had made great progress, the capacity of the Regina refinery had to be supplemented and in 1922 construction of the refinery at Calgary was begun, in order that most of the 189 bulk stations located in Alberta would have an independent source of supply. This was completed in 1923.

In 1933 operation of a small plant was begun near Fort Norman to process crude oils produced there and to furnish transport, mining and exploration enterprises on the Mackenzie River and in the Great Bear Lake areas with the necessary supplies of gasoline and fuel oils.

The refinery of Maple Leaf Petroleum Company Limited, at Coutts, Alberta, was purchased by Imperial Oil Limited in October, 1931.

The present crude oil capacities of the Imperial refineries in Canada; also the month during which the maximum amount of crude was processed in each refinery and the average daily amount processed during 1934, are given below in 35 imperial gallon barrels.

REFINERY		Present Crude Oil Capacity	Month of Maximum Crude Processed and Amount		Average Daily Crude Running During Year 1934 and Grades	
IOCO	Skimming	6,000				
	Complete Refining	10,000				
		16,000	Nov. 1929	16,335	9,244	California Peruvian
FT. NORMAN	Skimming	50	July 1935	81	12	Fort Norman
					2,361	Montana
					2,387	Turner Valley
CALGARY	Complete Refining	5,000	Jan. 1931	6,492	4,748	
COUTTS	Skimming	4,000	July 1934	2,011	572	Montana
REGINA	Complete Refining	4,500	Sept. 1929	7,536	2,556	Mid-Continent
SARNIA	Complete Refining	22,000	Feb. 1931	22,916	17,083	Canadian Mid-Continent Illinois Michigan
MONTREAL	Skimming	16,000				
	Complete Refining	14,000				
		30,000	Sept. 1929	30,021	12,451	Peruvian Colombian Venezuelan
HALIFAX	Skimming	7,000				
	Complete Refining	10,000				
		17,000	Oct. 1933	15,721	8,889	Peruvian Colombian Venezuelan
	Skimming	33,050				
	Complete Refining	65,500				
TOTAL		98,550		101,113	55,555	

Skimming capacities are provided so that in case of market demands or emergencies for fuel oil the Company will have flexible capacity to run fuel oil crudes for the maximum production of fuel oil.

Production

Prior to 1914 Imperial Oil was not actively interested in crude oil production. By 1914, however, the importance of developing its own resources of crude oil was apparent. Almost simultaneously the Company then began a series of unsuccessful deep tests in the hope of finding new production in the lower structures of the Petrolia field, and undertook through a newly organized subsidiary, the International Petroleum Company Limited, to develop the Peruvian fields which had been defined as potential sources of substantial production.

In 1919 Imperial Oil Limited sent out ten exploratory parties to various areas in Alberta, Saskatchewan and adjacent parts of British Columbia and the Northwest Territories in a vigorous effort to locate supplies of crude oil. After an expenditure of more than $6,000,000 and the drilling of 106,208 feet, only two producing wells were found. These were at Fort Norman on the lower Mackenzie River, within a short distance of the Arctic Circle. Thirty of the tests resulted in dry holes and three in dry gas wells in locations where the gas had little commercial value. It was realized that this exploration, costly as it proved, was far from sufficient to determine whether there were Canadian resources of crude oil available for refining on the Prairies and accordingly it was decided steadily to carry on explorations. The work is still proceeding and the Company has a definite programme with a view to determining the oil producing possibilities of some 4,000,000 acres in various parts of Alberta, Saskatchewan and Manitoba.

Since 1920 the Imperial subsidiaries have drilled a number of wells in the Turner Valley. The Company is strongly in favour of proper conservation of the resources of the Valley consistent with practical operation. With conservation in mind it has introduced as far as is in its power the system of unit operation, resulting in shutting in of wells in the Northern and Central parts of the Valley and has thus, it believes, extended the life of the field.

Intermittently there have been periods of shortage of crude oil supplies in the United States and concurrently suggestions have been made that embargoes be placed on United States exports of petroleum. Such embargoes may yet be applied in view of the belief held by many authorities on production that supplies will prove inadequate during the next few years. For instance, Oklahoma has been almost entirely explored without discovery of likely new flush production and it is expected that the oil pools in that State will soon be depleted.

In view of the possibility of embargoes in the United States it was important that crude oil from other sources should be doubly assured for Canadian refiners, so the De Mares Concession in Colombia was acquired in 1920 through a subsidiary of International Petroleum Company Limited. This field lies 335 miles inland in the Republic of Colombia. Before this oil could be drawn upon, a pipe line had to be built from Cartagena at the mouth of the Magdalena River. In view of climatic conditions and the nature of the terrain through which the line had to be built its construction was the most difficult work of the kind undertaken until that time. But so thorough was the organization that the sickness

and mortality rates of the workmen in this tropical jungle were approximately those of normal occupation in a Canadian city. Extensive construction also had to be carried on in the field to provide suitable accommodation for the large staffs of native and northern workmen.

The Company also carried on geological explorations in the Maritimes. Two structures were considered sufficiently favourable to warrant drilling. Near Scotsborough a test well was completed with negative results. Near Amherst not oil, but salt was discovered.

Crude oil is the life blood of industry and its steady flow to Canada has been assured by the establishment of the Peruvian fields accessible from the Pacific and the Colombian fields available from the Atlantic. Moreover, until such time as Canadian fields may be discovered to serve Prairie refineries, existence of South American resources is a guarantee of supply from the United States for these Prairie refineries, because if desired it would be possible to exchange South American supplies for the Mid-Continent crude needed in the Canadian West.

Of the total daily production of 86,222 barrels in Colombia and Peru during 1934, only 19,223 barrels or 22.29 per cent. was delivered to Canadian refineries. The balance, with the exception of the local requirements of Colombia and Peru of approximately 20,500 barrels daily, is available for running in Canadian refineries in the event of failure of crude oil supplies from other sources.

Marine

As supplies of crude oil were developed in Peru and Colombia a marine construction programme was inaugurated by Imperial Oil and its subsidiary the International Petroleum Company Limited and completed in 1928. This programme was on a scale that would permit continuous supply of sea-borne crude from the South American fields adequate to the needs of the refineries at Ioco, Sarnia, Montreal East and Halifax. When not required for Canadian service the ships are used in the International Petroleum Company Limited world trade in crude oil and petroleum products. The ocean going and lake tonnage of Imperial Oil Limited and its subsidiary the International Petroleum Company Limited at present comprises 25 vessels having a total capacity of 2,334,680 barrels.

Marketing in Canada

In all its developments the Company's objective was to build profits upon a foundation of dependable, countrywide supply and economical operation. Because its resources were needed for Western Canada expansion, in the early days it depended largely upon four jobbers for its distribution in the East. Each of these jobbers served an individual territory and was a jobber in the full sense of the term. He bought from the Company the various products that it made and supplemented these with products purchased from other refiners. Early in the present century the accelerated rate of consumption overtaxed the resources of these jobbers and so it was advantageous both to them and to the Company that forces should be combined and these jobbers merged with Imperial Oil as part of its distributing organization. In this way the Company integrated its manufacturing and marketing activities in the East along the same lines as it had developed in the West. As automobile ownership and industrial developments expanded, facilities were greatly extended.

Development of natural resources in Northern Ontario and Quebec created exacting demands which were met by establishing bulk stations and delivery services in those areas.

In 1908 at Vancouver the Company opened what was probably the world's first gasoline service station. A second station was not built until 1913 and it too was in Vancouver. In 1916 and 1917 motor vehicle registrations nearly doubled. As each registration represented a minimum investment of about $1,000, the Company felt that such an investment demanded a type of service superior to that which was generally available at the time. So it began to establish service stations at all points where density of registration seemed to warrant the expenditure. An equally important objective of the service station policy was to regulate retail prices. Except through its own stations, the Company could not control the retail price to the consumer and at some points, dealers, by concerted action, exacted what the Company regarded as excessive retail prices. In a great many cases the opening of one of the Company's service stations was followed immediately by a reduction in retail prices in the district.

Up to the end of 1927 the Company had a total of 295 service stations. Of these, 125 were located west of the Great Lakes and 170 in Eastern Canada.

In 1927 the Seminole pool was discovered in the Mid-Continent area of the United States and proved to be one of the largest in America until that time. Excess refining capacity in the United States began to run the surplus crude. Soon the market was flooded with gasoline. Export outlets were eagerly sought by many small refiners. To move products overseas required marine terminals and other facilities which these refiners did not possess and no one familiar with the industry would contemplate the necessary expenditures because in previous years there had been ebbs and flows of production with resultant surpluses and shortages of products.

But the Canadian market, though on the whole unattractive, was an ideal dumping ground because its areas of large consumption were all accessible at low cost. All that was needed to invade points like Winnipeg or Toronto was to lease railway tankage and build small storage. Consequently tankage multiplied and retail outlets multiplied even more rapidly. In 1930, Oklahoma City pool was brought in and then in 1931 came East Texas, the largest oil field ever discovered in the United States. The higher the crude oil spouted in the Mid-Continent, the more outlets sprang up in Canada.

For several years the relationship between crude oil and product prices in California has been such that refineries operating on crude purchased at posted prices have been unable to earn a profit but concurrently it has been common practice there to quote export prices lower than the domestic prices.

The full effect of large offerings at depressed prices of United States surpluses is reflected more by the multiplication of outlets and the development of unsound trade practices in Canada than by the figures relating to the imports of gasoline.

To maintain volume in the interests of low costs and to protect its investment and employment, Imperial Oil was obliged to establish subnormal tank car and cargo prices to meet the competition from the Mid-Continent fields. Except in isolated instances, the consumer did not

benefit by this. The gasoline jobber used the excessive spreads between his costs and retail prices to increase his volume, without rendering any necessary or consistent service. His operations were first revealed by a disturbing instability of the dealer accounts through which the Company obtained approximately three-quarters of its direct business. Believing that the demoralized conditions in the United States would be of brief duration, the Company endeavoured for a period to meet this competition. By loaning equipment, it tried to "tie" accounts and simultaneously it accelerated its service station building programme. But extra margins, secret rebates and other practices along lines similar to those in the United States were developed on larger and larger scales and more and more outlets were created. By the end of 1930 the Company owned 610 service stations, of which 227 were in the West and 383 in the East. It then decided that there were sufficient outlets to meet requirements and practically discontinued its service station building programme. Since 1930 it has built and acquired service stations as follows:

	Western Canada		Eastern Canada		Total	
Year	Built	Acquired	Built	Acquired	Built	Acquired
1931	1	7	8	2	9	9
1932	2	7	10	29	12	36
1933	2	2	2	9	4	11
1934	0	9	0	4	0	13
	5	25	20	44	25	69

Most of the stations acquired were taken over to realize on indebtedness.

The number of Imperial Oil bulk plants totalled 1,573 at the end of 1934. Of these, 1,121 were in the West and 452 in the East. The great majority of the Company's bulk plants serve rural territories in which consumption is much lighter than in the urban areas where service stations are located.

Earnings of Imperial Oil Limited

For years Imperial Oil Limited has been a holding as well as an operating company. This is not generally realized by the public and consequently there is a widespread misunderstanding of its earnings.

The annual statements of the Company are of general interest because its stock is held by many thousands of investors in Canada and elsewhere. Press reports of these statements are necessarily condensed, and newspaper headlines even more so. The name of the Company and its total income are the two items indispensable to such headlines and there is room for little, if anything else. So the quick-reading public sees, for instance, that in 1934 Imperial Oil Limited earned $25,771,653.69 and therefore assumes that refining and marketing of gasoline in Canada are a very lucrative business.

Further reading may reveal that the earnings from Canadian refining and marketing operations included in the foregoing figures for 1934 were only 11.73 per cent. or $3,023,400.12. But even so, without an understanding of the magnitude of the operations involved in serving the market everywhere in Canada a distorted idea is likely to be created.

The earnings of Imperial Oil Limited from Canadian refining and marketing operations for the period 1930-34 are summarized below. They are a fair criterion of the present profit possibilities for a Company which consistently and dependably serves the Canadian petroleum market in all its areas:

Capital Invested by Imperial Oil Limited in Canadian Refining and Marketing Operations and Net Earnings on Same

Year	Capital Invested	Net Earnings	Per Cent. Earnings on Invested Capital
1930	$111,802,260	$7,215,291	6.45%
1931	104,127,791	*8,914,813	*8.56%
1932	109,699,030	4,331,157	3.95%
1933	107,829,716	3,926,892	3.64%
1934	103,456,712	3,023,400	2.92%

*The 1931 earnings of $8,914,813 exceeded the 1930 earnings of $7,215,291 not because of larger trading profits but because inventory losses due to declining prices for crude oil were $2,518,552 less in 1931 than in 1930.

Total Gallonage of All Products Sold by Imperial Oil Limited in Canada Compared with Net Earnings

Year	Total Sales of All Products	Net Earnings	Profit per Imperial Gal.
1930	937,413,981 Imp. Gals.	$7,215,291	0.77c
1931	852,527,543 " "	*8,914,813	1.05c
1932	749,500,871 " "	4,331,157	0.58c
1933	751,160,454 " "	3,926,892	0.52c
1934	755,565,290 " "	3,023,400	0.40c

*The 1931 earnings of $8,914,813 exceeded the 1930 earnings of $7,215,291 not because of larger trading profits but because inventory losses due to declining prices for crude oil were $2,518,552 less in 1931 than in 1930.

The figures shown above present a true picture because:

1. As the Company has no funded indebtedness interest charges are not included in its costs and do not affect net earnings;
2. Goodwill value is not included in the assets;
3. There is no inflation of the capital stock of the Company;
4. Plants are listed at depreciated values.

The 1934 ratio of the Company's earnings in Canada to the total volume of its sales was the same as that of a small manufacturer, who, making and selling goods to the value of $8,284, derived a net profit of $302.34.

In 1934 Imperial Oil Limited paid $3,227,870.22 in Canadian income taxes alone, or $204,470.10 more than its profit of $3,023,400.12 from Canadian refining and marketing operations. Its revenues from various investments, from transportation in the Western Hemisphere and to Europe, and from world trade carried on outside of Canada by subsidiaries, account for this.

A subsidiary company, whether comprising a minority interest or not, should never be used to distort earnings, by either excessive or subnormal prices for materials or services sold to or purchased from the holding company.

In all cases where Imperial Oil Limited has dealings with its subsidiary companies, of which there are several with large minority interests, services and materials are bought and sold at rates or prices which these subsidiaries obtain from other sources in competition in world markets.

CANADIAN MANUFACTURERS' ASSOCIATION

THE ANNUAL GENERAL MEETINGS*
OF
1935 AND 1936

Summary of the Address* of the President of 1934-35, Mr. James H. Webb

Steady improvement in economic conditions in the principal countries of the world has been reported throughout the past year. Statistics compiled by the League of Nations show an expansion of industrial production, a very considerable increase in the number of those gainfully employed, a slight rise in the quantum of world trade, some progress in methods of financing, better agricultural conditions and a moderate upward trend in the prices of commodities. Improvement is not confined to a few countries but is universal.

In the scope and degree of recovery, Great Britain continues to exercise the leadership which she has previously given in many difficult periods of the world's history, and the entire British Empire, with the guidance and example of the mother country and supported by the vigorous efforts of individual British countries, has set a record of achievement within the past few years which, according to impartial international statistics, is far beyond that of the average of the rest of the world. This, it is important to remember, has been accomplished without revolutions, civil wars, dictatorships, attempting to escape obligations, or fantastic economic programmes. . . . . .

The greatest collective effort of the British peoples was the negotiation of eleven Trade Agreements at the Imperial Economic Conference in Ottawa in 1932, and it is significant that the signing of these Agreements coincided with the first visible indications of world recovery. . . .

Canada's low point, according to the Dominion Bureau of Statistics, was reached in February, 1933. Then the index figures stood as follows:—physical volume of business, 67.0; industrial production, 60.9; and manufacturing, 58.7. . . .

Canadian exporters have been seeking, intelligently and vigorously, to increase the sales of their products to other countries. The following table shows the total trade of Canada with British Empire countries and foreign countries, respectively, for the fiscal years (ending Mar. 31) 1933, 1934 and 1935:

British Empire	$343,640,534	$ 419,471,628	$ 498,693,071
Foreign Countries	543,457,007	599,981,436	690,872,039
Totals	$887,097,541	$1,019,453,064	$1,189,565,110

. . . . . .

The world-wide depression in agriculture, with the resulting great fall in prices of farm products, affected Canada with especial violence,

*NOTE.—1935 Meeting held at Hamilton, Ont., June 5-7; 1936 Meeting, at Quebec, June 2-4.

particularly as nearly half the population is rural and the plight of Canadian farmers has been lamentable. It was particularly aggravated by the determination of the principal countries of the world to increase their production of wheat and other cereals, cattle, and other agricultural products, having in mind the danger of a food shortage such as that experienced in the war, and the desirability of guaranteeing supplies of food in case of another international conflict.

Fortunately, Canadian farmers, largely owing to the Imperial Conference Agreements, have experienced a measure of recovery. . . .

Special Problems of Canada

To a certain extent, Canada has used the same methods as those employed by other British countries, but our difficulties have been augmented by the presence of special problems which some of them fortunately escaped.

In the first place, no other British country seems to have such an elaborate and expensive system of government as ours. The Fathers of Confederation faced an immense problem and history has given them due and proper honour and credit for their achievements. Nevertheless, it is not ungrateful to suggest that a system of government, enclosed in the rigid limits of an Act of Parliament passed in 1867, may not be suitable for modern needs.

It is obvious that, with the growth of the United States in their minds, they devised machinery to govern and to administer the affairs of a population larger than that living in Canada, and succeeding generations, including our own, have seen fit to provide lavishly for governmental contingencies. As a result Canada's Dominion Government, nine Provincial Governments and approximately four thousand Municipal Governments, constitute framework adequate to serve the needs of from fifty to a hundred million people. A traveller, visiting Canada for the first time and surveying our innumerable Government buildings, might conclude that Canadians must be particularly unruly or particularly stupid if they require so much governmental supervision.

All this has become very expensive. According to statistics published in the Report of the Citizens' Research Institute of Canada, for the year ended February, 1935, the national income of Canada, in 1933, was $3,300,000,000; taxation amounted to $648,082,257, or 20 per cent. of the national income; while government expenditures totalled $1,024,039,328, or 31 per cent. of the national income.

The system adopted in 1867 may not be suitable for modern conditions. Modern farmers are not using the flails and reaping hooks of 1867, and manufacturers are not operating 1867 machinery. During the past five years, Canada has been seriously hampered by her costly and complex governmental system. Conflicts of Dominion, Provincial and Municipal jurisdictions, arguments about who is to pay, doubts that certain remedial policies are constitutional, and overlapping and duplication of agencies, services and taxes are brakes on intelligent thought and effort. What is to be done? Great Britain with apparent wisdom, has no written constitution. Parliament is supreme and deals finally with current problems. Is it not reasonable to suggest that the Canadian system of numerous governments should be revised so as to make it flexible and adjustable to present and future conditions as they arise? If action is to be taken, let us make sure that our governmental structure is cut down to a reasonable size. Half or three-quarters of the present machinery could be scrapped

with advantage, with increase of efficiency and saving of expense. How is this to be accomplished? The taxpayers are awakening to the fact that where there is a will there is a way. A few earnest and capable leaders, backed by public opinion, can secure what is needed, without disturbing rights established and safeguarded at the time of Confederation.

The second impediment to recovery is the annual loss arising from railways. For over twenty years, Canadians have been endeavouring to solve this problem but have failed largely because a solution was sought by political compromises rather than by business methods. Surely it is apparent that the business-like solution is the balancing of the income and expenditure of the Canadian National Railways, and until that policy is followed the country will continue to bear a serious burden.

The third problem, which is rapidly becoming ominous, is the extraordinary increase in legislation, under which our various Governments threaten to control and regulate many departments of activity which, since the beginning of Canadian history, have depended on individual intelligence and effort. The Dominion Government, the Provincial Governments and many Municipalities have been steadily and greatly extending their control, not only of matters usually within the domain of governmental jurisdiction, but also of production, finance, transportation, liquor distribution, trade and other activities. . . .

In vague and theoretical discussions about capitalism it seems to be overlooked that capital is merely savings. All buildings, public works, machinery, cultivated land, live stock, life insurance, goods, equities, bank accounts and other material wealth represent the surpluses of individual incomes over expenditures. In Canada, for example, after her four hundred years of history, all that can be described as wealth has been accumulated slowly, carefully, and in small amounts by industrious and self-denying citizens. There is another form of material wealth intangible but real, and that is experience, resulting from the trial and error of methods of successive generations. . . .

How much of invention and improvement is due to governments? Scientific men in university and commercial laboratories, after long and costly research, discover new methods and materials. Private managements and funds take this information and develop great industries and fabricate new products that people want and need, and which provide employment. Governments rarely create but they have large powers of consumption.

Reflect on the recent experiments of the United States. At the beginning, business men, although many were not hopeful of success, co-operated with the Government, but disappointment has been steadily increasing until to-day it is fair to state that the business men of the United States are opposed to the continuation of these experiments. While there has been some benefit obtained, the general result is disappointing, and the cost has been staggering. After all this effort and expense, the Supreme Court of the United States has recently decided that much of the National Recovery legislation and procedure is unconstitutional and, consequently, there will be another period of uncertainty and confusion.

On the other hand, Canada, generally speaking, but with some exceptions, has followed British methods and our recovery, proportionately, is greater and healthier than that of the United States. With this object lesson before us, are we going to embark on similar experiments

in Canada with the possibility of creating the confusion that is now evident in the nation to the south of us?

These remarks are non-political because they are directed respectfully to all Governments in Canada, Dominion, Provincial and Municipal, and to all Oppositions which, in the course of time, will assume the responsibilities of government. . . .

The splendid co-operation of the Dominion Government and Provincial Governments in trade and other matters, particularly in the negotiation of trade treaties, is gratefully recalled and acknowledged. The Imperial Economic Conference is the most outstanding example. . . .

Another phase of this problem which is giving us concern is the tendency of governments to intervene in questions between employers and employees. In 1919, shortly after the War, a great Conference was held in Ottawa and certain principles were agreed upon by representatives of employers, employees and the public. These were based on freedom of contract and co-operation, and, during the interval, there has been a great decline of industrial strife. It is safe to say that few countries have enjoyed such satisfactory and peaceful labour relations as Canada, and in view of this fact, would it not be well to continue the policies which have given such satisfactory results during the past fifteen years?

Our fourth special problem in Canada is debt. The accumulated Dominion, Provincial, Municipal and corporation debts now exceed nine billion dollars. According to an estimate of the Dominion Bureau of Statistics in 1929, the aggregate wealth of Canada, including farms, industries, forests, fisheries, mines, savings and all other possessions, was approximately thirty-one billion dollars. In 1926, it was estimated at approximately twenty-seven billions. After making allowance for the decline of values, the proportion which the total debts bear to the national wealth can be estimated. These comparative figures reveal a situation which is far from hopeless and gives much ground for confidence but it is not advisable to narrow still more the margin between what we possess and what we owe.

What we have been really doing during the past five years is consuming part of the savings of our own and previous generations. We have been very far from paying as we went. Balancing of budgets is even more important in governmental financing than in private financing, and, while it may not be possible to accomplish this at once, it is a goal which should be our constant objective.

As we look forward to the future would it not be well to consider and, if possible, to suggest some policies which might be followed with advantage to all? The first policy, it is respectfully submitted, should be getting unemployed citizens back to work. . . .

Canada's Industrial Development

The gradual rise in prices, particularly of primary products, is encouraging and it is hoped that it will continue, not by artificial assistance, but as a result of sound basic conditions. . . .

The lowest practicable interest rates are desirable to enable producers to borrow money on easier terms and to encourage commercial undertakings as well as to ease the burdens of taxpayers. . . .

The need for economy in public expenditures, consistent with existing conditions has been stressed and cannot be too strongly emphasized. . . .

It is also suggested that all industry and business should be given proper treatment and regarded as responsible and valuable partners in the country's activities and welfare. . . .

As manufacturers, we are subject to criticisms, fair and unfair. They were made against the small band of intelligent and courageous Canadians who started this Association sixty-four years ago, when the value of manufactured goods made annually in Canada was only two hundred and twenty million dollars. In 1933, the last year for which statistics are available, it was approximately two billion, one hundred million dollars, in spite of the depression, and it will be considerably more in 1935, so that in spite of faults and mistakes, the industrial system of Canada has experienced remarkable development, and now supports directly, by the payment of salaries and wages, about one quarter of the entire population of Canada, and indirectly, helps to support many more. I state, without fear of contradiction by intelligent and reasonable people, that the manufacturers of Canada and their employees are endeavouring to act honestly with other citizens, that they are conducting their various enterprises, on the whole, as well as conditions permit, that their methods are fair, and that their products compare favourably with those of other countries.

I believe that there are sound reasons for taking a hopeful view of the future. I do not advocate futile optimism that ignores facts. . . .

The physical assets of Canada are intact. Farms, mines, forests, fisheries, transportation systems, electric power stations, are all unimpaired. Canadians are intelligent, industrious and ambitious. Technical staffs and skilled workmen compare favourably with those of other countries. Domestic and external demand for our products is gradually returning. As we increase production and sales, many of our difficulties will diminish and most of them will ultimately disappear. If we Canadians are to achieve the best results, the co-operation of those in all occupations is vital. Don't let time and effort be wasted in futile discussions or useless conflict. If all Canadians will work together intelligently, sympathetically and fairly, looking eagerly for new methods but not disregarding the old and proven, they should be able to maintain the progress made during the past two years and to move forward confidently to deal with the future.

Summary of the Address* of the President of 1935-36, Mr. W. S. Morden

Improvement in most departments of activity in the greater part of the world is continuing and, as this gradual revival is now of three or four years' duration, it seems reasonable to hope that the world, as a whole, is gradually recovering from the great depression. . . . The latest available international statistics show that world trade is expanding slightly; that industrial production has increased considerably; and that about half of those unemployed at the worst period are now working. While great efforts have been made to stimulate recovery by international co-operation, the evidence indicates that progress has been due chiefly to the individual efforts of nations to put their own houses in order. . . .

It is encouraging to realize that Great Britain has led international recovery and contributed much to it. During the past four or five years,

*NOTE.—At the Annual General Meeting of June 2-4, 1936, at Quebec.

she has increased her trade and production, has found work for many thousand unemployed, has reduced national expenditures, and has balanced her Budget. It is significant that she has thrown overboard her old policy of free trade, which had served her well under different conditions but had become futile in an increasingly protectionist world. She has imposed tariffs on nearly all articles which are produced in the British Isles, established quotas, granted bonuses, and introduced many restrictive import regulations. . . . She has carried on with a great degree of success a building and housing campaign, and since 1919, upwards of 2,350,000 houses have been constructed in England and Wales. Most of these were built without State assistance and only limited aid was extended by the State with regard to the rest. While the formulation of a national housing policy and some slight financial aid and limited guarantees by the State initiated and encouraged this great programme, it has since been carried on almost entirely by private enterprise with building society and other private funds. The beneficial effects of this well ordered and efficient building, not only on those who are now living in the new and better houses, but also on business, can scarcely be over estimated. During the past year there has been a marked increase in industrial output, but part of this is due to the re-arming policy which has been forced on Great Britain by international complications.

Steady recovery is reported from other parts of the Britsh Empire. Possibly the most outstanding example is South Africa. While part of her prosperity is due to the increase in the price of gold, of which she is the world's largest producer, there are other proofs of material advancement. Australia, the first British country to enter the depression, was among the first to emerge and improvement continues. Steady progress is reported from New Zealand. India is experiencing political peace and a moderate trade revival. The British Crown Colonies and Mandated Territories are reporting varying degrees of recovery. The progress of the whole British Empire is gratifying to Canada, as a unit of the Empire and also as a nation, because of our intimate relations with the rest of the Empire. Material proof is furnished by the fact that, last year, fifty-two per cent. of all products that went out of Canada to all markets were bought by other Empire countries. The sound, well-ordered and steady progress of the British Empire, which includes one-fourth of the world's population and one-quarter of the earth's surface, has had a far-reaching and beneficial effect throughout the world.

The low point of the depression, so far as Canada was concerned, was reached early in 1933 and revival dates from that period. Fortunately, Canada is not a one-crop country nor a one-industry country, but has an unusually large number of departments of national activity. The following index figures from the Dominion Bureau of Statistics for the month of March, 1936, indicate the trend in business and industry:—physical volume of business, 103.3; industrial production, 104.1; manufacturing, 98.7. These index figures at their lowest point, in February, 1933, were as follows:—physical volume of business, 67.0; industrial production, 60.9; manufacturing, 58.7. All these index numbers are based on 100, which represents the monthly average for the year 1926. The growth of Canada's external trade for the four fiscal years 1933-36 ended March 31, is indicated by the following statistics:—

	1933	1934	1935	1936
British Countries	$343,640,534	$ 419,471,658	$ 498,866,071	$ 575,694,514
Foreign Countries	543,457,007	599,981,436	691,124,039	766,181,683
Total	$887,097,541	$1,019,453,094	$1,189,990,110	$1,341,876,197

During the past four years, Canada's trade with other countries of the British Empire increased by 67.52 per cent., and with foreign countries by 40.98 per cent.

As a result, first, of the increased price of gold, and, second, of greater demand for metals from abroad, the production of Canadian mines has been greatly augmented. In 1935, Canada's mineral production had a value of $310,162,455, an increase of 11.5 per cent. over the production of 1934. This exceeded the production of all other years, except that of 1929, when it was $310,850,246, and compares very favourably with that of the low year, 1932, when the value was only $191,228,225. Modern producing mines are really great manufacturing establishments with much the same problems of finance, employment, production and sale as those which occupy the attention of manufacturers. Since their operations are, to some extent, complementary to ours, and as they buy from us quantities of machinery, materials and supplies and as we buy from them copper, nickel, lead, zinc, asbestos, gypsum, fuels and other products, our common interests are apparent and we are indeed glad to witness and to share in their development, which has been such a valuable factor in national recovery. . . .

Sixty-Fifth Anniversary of the C.M.A.

On this, the 65th Anniversary of the Canadian Manufacturers' Association, your attention is directed to the following statistics which indicate at a glance the expansion of manufacturing in Canada between 1870 and 1934, the last year for which statistics are available, a period which coincides with the life of the Association.

During that period the capital invested in Canadian manufacturing increased from $77,964,020 to $4,703,917,730; the number of industrial employees from 187,942 to 545,162; and the annual gross value of products from $221,617,773 to $2,533,758,954.

The Association was organized by very small groups of manufacturers in Ontario and Quebec, when there were no factories that could be described as large or up to date, according to modern ideas. Household industries and handicrafts, which had existed in Canada from its early settlement, gradually but very slowly had been supplemented or replaced by small local manufacturing establishments, serving limited local markets. The exporting of goods manufactured in Canada was practically unknown, but, on the other hand, most of the manufactured goods used were imported from other countries. First, Canada passed through the early pioneer stages of land settlement during which the exportation of furs, timber, potash and other raw materials, served to supply its moderate requirements from abroad. With the advent of railway building in the fifties the pioneer period in older Canada came to a close and a period of expansion succeeded which gained further momentum by the high prices current during the American Civil War. Following the termination of that war the situation changed and the markets of other countries became less receptive. Construction and expansion having passed through the boom period, slowed down. Canadians, having become accustomed to a higher standard of living now found it increasingly difficult to arrange for foreign credits to buy goods abroad which had to be paid for either by exports or by loans, and they were faced with the choice of making more of the products which they required or going without.

Aggravating this state of affairs, was the lack of work for thousands of young Canadians, some well educated, many skilled in various trades,

and these began emigrating in large numbers to the United States. Faced by these conditions and impelled by these economic facts, Canadians began to formulate and to put into practice a policy which would supplement the valuable accomplishments of the pioneer period and the era of early railway expansion by the establishment and maintenance of an industrial system which would not only supply the greater part of Canadian needs but would also enter into the export field and sell manufactured goods to other countries.

Various individuals and groups, including the small band who organized this Association sixty-five years ago, conceived the idea of a wider and more diversified Canadian economy, which would not only encourage agriculture and the production of raw materials, but, in addition, would greatly expand manufacturing, with the result that more employment would be provided for Canadians, while, at the same time, agricultural products and raw materials would be processed in Canada to a great extent, instead of being exported at low prices in elementary stages of production. A balanced and diversified economy was gradually but definitely accepted as time went on by the great majority of the Canadian people in all walks of life as the most satisfactory policy for the country as a whole.

The comparative industrial statistics already quoted tell the story of the development which followed during the past sixty or seventy years. To-day, Canada has one of the most modern industrial systems in the world. Our Canadian factories, with their intelligent and skilled employees, modern machinery, laboratories, acquired experience, and efficient production methods stand very high comparatively in the industrial world. Approximately eighty-three per cent. of their production is used in Canada, and they have succeeded in finding markets in over a hundred other countries for the remaining seventeen per cent. It is estimated that those who receive salaries and wages from Canadian factories, with their dependents, constitute at least one-quarter of the entire population of Canada; that is, about two and one-half million Canadians, in normal times, are directly dependent on the salaries and wages paid by Canadian industry for their maintenance. In addition to these, there are many more who are indirectly assisted by industrial operations. For example, to what extent does transportation rely upon manufacturing for passenger and freight receipts? What percentage of the sale of clothing, food, household furnishings and equipment, and many other kinds of merchandise is made to industrial employees? How many of the existing six million policies of life insurance have the companies written for industrial workers? What groups in Canada are economically indifferent to industrial conditions? Even the most elementary attempts to answer these questions will convince reasonable people that the industrial system, during the past sixty or seventy years has sent its roots deep into every part of Canadian activity; that its interests are intertwined with those of persons in every other occupation; that these interests are common; and that industry cannot be restricted or injured, in any way, without doing some damage to practically everyone in the country.

It may be objected that our industrial system does not prevent unemployment. In reply, it may be asked, to what proportions would unemployment have reached in the absence of factories? At the depth of the depression, it is estimated that Canadian factories continued to find work for about seventy per cent. of the number usually employed. It should be remembered that the United States is no longer a refuge

for Canadians who cannot find work here, and that, on the contrary, our unemployed ranks have been increased by many Canadians who have been obliged to return to their own country. Moreover, as a great share of taxes is obtained from industry, both directly and indirectly, where would the national revenue have been secured if there had been no industry to tax?

Canada's Valuable Domestic Market

It is sometimes argued, though not so much now as formerly, that there is some vital cleavage of interest, some unbridgeable animosity between manufacturing and primary producers. Surely this view cannot be sustained, under modern conditions of life and work. Manufacturing is only one branch of production, among many branches such as agriculture, lumbering, mining and fishing. In many ways, their methods and processes are similar to those of manufacturing. They are all inter-dependent. As an illustration of this, take the case of industry and agriculture. It is estimated officially that between eighty and eighty-five per cent. of farm products of Canada is used at home, and about fifteen or twenty per cent. is exported. There is considerable concern, at times, over the problem of marketing the exportable surplus. Consider what proportions this problem would assume if it were turned around the other way, and if the country had to worry about exporting eighty or eighty-five per cent., or even that part of agricultural production which is now used or consumed within the borders of this country by those engaged in and dependent upon industry. It is obvious that the reason lies in the fact that the cities, towns and villages, which are largely the result of industrial expansion, have populations which consume a large percentage of such products. Increasingly large amounts of agricultural products are used in industrial processes in factories. Those who follow the trend of international events know that the farmers of Europe and the United States have recognized this truth and have insisted on protection of their home markets during the past few years, and have obtained it. Consequently, the domestic market in Canada, which is now worth four or five times more to Canadian farmers than all export markets combined, has become increasingly valuable and essential because of this growing tendency of other countries to produce their own food supplies. Canadian agriculture and industry are consequently complementary and inter-dependent. Each contributes to the other and what helps or injures one helps or injures the other. The existence of the similar inter-dependence of manufacturing with mining, lumbering, fishing, transportation and trade is so obvious that it needs no further comment.

In surveying the industrial system of Canada, and what it means to all Canadians, we are dealing with facts, not theories. The dependence of two and a half million Canadians on the salaries and wages which they earn in Canadian factories, is a fact. The thousands of industrial establishments in cities, towns, villages, and country-side, from the Atlantic to the Pacific, are facts. Modern machinery and equipment are facts. Market connections, developed at great trouble and expense, are facts. Invested capital, representing the savings of thousands of people, is a fact. All these facts represent the thought, planning, and toil of three generations of Canadians. As it exists to-day, the industrial system of Canada is of tremendous and vital national concern to the entire population.

What about the future?

The Future of Canadian Industry

Canadians were faced with the necessity of making a decision sixty or seventy years ago. They made it and the results we have briefly summarized. In the light of the achievements of the past, what should be our objective for the future? Should we strive to go forward industrially or should we stop, reverse and go backward? It is submitted that those who advocate a retrograde course for industry have failed to count the cost. The key word to this cost is the loss of employment. It is not a question of industrial employees only but also of the myriad of other workers dependent on industry. Thought must be given to graduates of universities, and technical schools, professional people, clerical workers in finance and commerce and many other classes. In the final resort all these people are cogs in the great wheel of commerce and industry which is constantly revolving in the work of supplying the highly specialized wants of our population under modern conditions. It is idle to contend that the energies of this vast army of skilled and professional workers can be diverted from their present occupations to the more primitive occupations of three generations ago.

But it is not only the internal dislocations that such a change would entail that have to be considered, but what may be termed external considerations are also involved. If Canadians should decide to import any large proportion of the more than two billion dollar output of their present industries the means of payment would have to be carefully considered. There would be no difficulty in finding these imports. All we have to do is to lower the bars enough and practically all countries of the world will vie with one another in supplying our requirements. It would be found, however, that in endeavouring to make a proportionate increase in our exports we would not have the same world-wide co-operation. It is always easier to find goods to buy than it is to find purchasers for the goods we have for sale. We have had much experience with this problem and appreciate the difficulty of persuading other countries to buy our exports at prices remunerative to our producers. Wheat and paper furnish good examples of this difficulty. Now such increased exports are absolutely essential if we are to have increased imports. In our borrowing abroad we have given hostages to fortune in the sense that exports are required for servicing these debts. We therefore require to have a favourable trade balance, taking into consideration both visible and invisible items, and our recent trade records give an indication of what this balance should be. In his recent Budget Address the Dominion Minister of Finance estimated this favourable balance for the year ended 31st March last, including invisible items, at four hundred million dollars.

When we turn to the exchanges we find that the Canadian dollar is practically at parity with New York and sterling funds, and we are therefore justified in concluding that our present balance is required to pay interest on our debts abroad and other external obligations. There was a time when any deficiency in our available credits for use abroad was made good by borrowing abroad, but under prevailing conditions this means of supplying any deficiency cannot be safely relied upon. The modern standard of living requires such a large diversified list of manufactured articles that more and more nations are coming to find that the easy method of borrowing money from the seller with which to buy his goods is becoming impracticable, and that if a fair standard of living for Canadians is to be maintained, the required articles as far as possible must be produced at home.

Tariffs are not the only requisite, although adequate protection by customs tariffs and import regulations remains an essential in national fiscal policies, in view of lower wages and other special conditions in competing countries. Factories may be closed by the loss of sufficient tariff protection but their operations may also be restricted or hampered by overtaxation, impractical legislation and regulations, labour troubles and other causes. Consequently, in putting forward a plea in favour of maintaining and encouraging industrial growth, within proper limits, suitable to the country's needs, it is not based on customs tariffs only, important as they are, but also includes all essential policies and safeguards, which experience in Canada and other countries has proved to be necessary for industrial peace and healthy development.

We also ask for a better understanding of industrial problems on the part of the public. Manufacturing, under modern conditions, is not controlled by individuals; it has become a co-operative effort of groups, including employers, employees, carriers, suppliers of raw materials, owners or lessors of property, suppliers of services, wholesale and retail distributors, governments, shareholders and creditors, and the fair remuneration of the services of all these decides the ultimate prices at which products are sold. . . .

This brings us to a consideration of national credit. Dominion, Provincial and Municipal debts, which now exceed seven billion dollars, are in the form of bonds, owned by thousands of Canadians and other citizens of many other countries. These bonds were purchased on the understanding that they were trustworthy promises to pay. As the sale of bonds to individuals declined during the depression, insurance companies, loan and trust companies, banks and commercial companies bought more, either because they were invited to do so by Governments who were floating loans or as an investment for surplus funds, which had accumulated owing to the lessened requirements of those engaged in industry and other borrowers. Very large quantities of bonds are held by insurance companies in trust for policyholders. Banks and loan and trust companies are holding bonds purchased in great quantities as security for moneys entrusted to them for investment and saving. Manufacturing and commercial companies try to keep reserves in bonds for emergency use in adverse periods. This great volume of bonds is interwoven with practically all departments of Canadian activity, industry, trade, finance, insurance, transportation, agriculture, lumbering, fishing and mining. It seems obvious that if money is to be borrowed in future for business or other purposes, faith must be kept to the utmost limit of capacity to pay with the people who purchased these bonds; otherwise, there will be no lenders. Whether we like it or not, bonds, mortgages, notes and other promises to pay have become cornerstones which support the entire economic structure of this country and, if the foundation is impaired, the results will be very serious. . . .

Honorary Officers of C.M.A. 1936-37

President	B. W. Coghlin	Montreal, P.Q.
1st Vice-President	F. C. Brown	Vancouver, B.C.
2nd Vice-President	W. D. Black	Hamilton, Ont.
Treasurer	T. F. Monypenny	Toronto, Ont.

Chairmen of Committees: Tariff, Louis L. Lang, Kitchener; Transportation, A. D. Huff, Montreal; Insurance, H. M. Jaquays, Montreal; Membership, W. R. Drynan, Hamilton; Legislation, Judge J. G. Gauld, Hamilton; Industrial Relations, A. R. Goldie, Galt; Education, N. C. Polson, Jr., Montreal; Commercial Intelligence, Geo. Carruthers, Toronto; Publishing, Walter C. Laidlaw, Toronto.

Chairmen of Divisions: British Columbia, W. J. West, Vancouver; Prairie, John A. East, Saskatoon, Sask.; Ontario, F. E. Waterman, Toronto; Quebec, Louis Armstrong, Montreal; Maritime, D. R. Turnbull, Halifax, N.S.

CANADIAN MANUFACTURERS' ASSOCIATION

HEAD OFFICE, TORONTO

General Manager	J. E. Walsh
General Secretary	J. T. Stirrett
Manager, Tariff Department	J. R. K. Bristol
Manager, Transportation Department	S. B. Brown
Manager, Commercial Intelligence Department	T. M. Kerruish
Manager, Legal Department	H. Macdonald
Manager, Industrial Relations Department	H. W. Macdonnell
Editor, Industrial Canada	W. A. Craick
Advertising Manager, Industrial Canada	D. B. Gillies
Secretary, Ontario Division and Toronto Branch	J. M. McIntosh
Assistant Treasurer	J. Winfield

DIVISION AND BRANCH OFFICES

Vancouver	Secretary	Hugh Dalton
Victoria	Secretary	Capt. T. Goodlake
Edmonton	Secretary	T. Ashenhurst
Winnipeg	Secretary	Geo. E. Carpenter
Hamilton	Secretary	H. E. Waterman
Ottawa	Secretary	E. Blake Robertson
Montreal	Secretary	R. W. Gould
Quebec	Secretary	C. A. Lamontagne
Amherst	Secretary	H. R. Thompson

"DEMAND FOR WORLD-WIDE TARIFF REVISIONS"

THE CANADIAN BANK OF COMMERCE

ANNUAL ADDRESSES*

Address of the President Sir John Aird

When I last addressed you at our Annual Meeting a year ago we had every reason to expect that the year then beginning would prove at least as favourable as the preceding one. Many of our hopes have been realized. There was a forward movement during the early months of the year of such proportions as to lead to a definite turn toward moderate prosperity. As the year advanced the prospect of satisfactory crops and of fairly good returns from business seemed to assure a financial and industrial revival. In the early summer, however, it became apparent that severe drought over a large part of North America would cause a material dislocation in business. Yet Canada has stood the shock of this unfortunate development so well that her present economic condition approaches prosperity. In fact, a healthy prosperity of the 1925-27 order actually exists in many sections of the country, notably over most of our vast mining domain, in areas of good crop yields such as the Maritime Provinces and extensive sections of Quebec and Eastern and Western Ontario, as well as in important lumbering districts, such as the Pacific Coast, where production has been greatly expanded.

Taking the Prairie Provinces as a whole a substantial improvement is shown during the year, the advance being quite marked in those areas where good crops were harvested. Although the total figures for the wheat crop were below the small yield of 1935 the grade was exceptionally high. With the very welcome improvement in price which came last year the effect has been to raise the value of all grain production to at least 250 million dollars, fully 30 millions in excess of that of 1935.

Requisites for Further Progress

Where prosperity still lags it can be stimulated by a further development of natural forces of recovery, by normal crop conditions this year, by a practical policy of grain marketing, by necessary reconstruction measures in the West, by strict observance of the principles of good credit and by more determined efforts to balance our public budgets. I might add that the observance of the principles of good credit is necessary as much by lenders as by borrowers. As the last depression taught us, hard times can be caused and prolonged by poor crediting, in one way, by excessive selling on the instalment-payment plan, which creates a mass of debt to be liquidated from declining incomes in a period of diminishing employment.

These are the requisite factors applicable to any section of Canada that desires to share fully in a general advance which may be of such

*NOTE.—Year ended Nov. 30, 1936.

dimensions as to surprise the most optimistic. Certainly many of the elements of world economic progress are now present. Productive facilities are greater and more efficient than ever before, transportation and communication services have been greatly improved and new inventions are ready for commercial development on a large scale, or, as in the case of television, are close to the stage of practical use. Moreover, an abundance of capital is awaiting investment in channels where it can find safe and profitable employment. Indeed, the question to-day appears to be not whether the present business revival will continue, but firstly, whether the prospective development of business can be prevented from assuming boom proportions with consequent over-speculation in the stock market and over-investment in industry; and, secondly, whether rearmament, which now induces a feverish demand for certain materials, can be replaced by constructive and more desirable enterprise. In regard to the first question, it seems that there will soon be tested the value of the theory already put into practice by some governments, that official control over finance is the solution of economic problems, including monetary panics and the trade cycle of alternating booms and depressions. The other question, as to whether natural trade remedies can be applied to world economy when, if ever, this unfortunate rearmament race slows down, must also be answered mainly by the future economic policies of the governments of the world.

Among the measures which governments can take to assist international business recovery are those which have been advocated in this room for many years, for so long indeed, and with such little effect, that their advocacy almost seemed that of a lost cause. Yet an approach to their realization has already been made through the lowering of some tariff walls, and by the undoubted trend toward an international monetary system from the isolation of national currency systems devised after the abandonment of the gold standard.

This country, dependent upon external markets to the extent that it has to export about 30 per cent. of its national production, and therefore highly sensitive to foreign developments, should be thankful for a partial return to less restricted trade and exchange policies. I shall not qualify my former expressions against excessive trade restrictions because of their depressing effect upon business. But now I urge world-wide tariff revision for two other reasons, namely, to protect the consuming masses against possible sharp increases in living costs, and to prevent the large governmental expenditures still necessary for public relief from mounting so high as to nullify efforts to achieve budgetary balance. World commodity prices display a pronounced upward trend, because an increased consumption has coincided with curtailed production in certain industries, while at the same time prices have not been subjected to the check exerted upon them when trade enjoyed greater freedom and all producers were obliged to meet world price-making conditions.

International Currency Agreement

The tripartite monetary agreement announced by Great Britain, France and the United States last September denounced, in effect, competitive currency depreciation, and in a sense renounced the system of national currency management which had formerly been in vogue. Most important of all, it confirmed the belief, so often expressed at our former meetings, that the re-establishment of an international monetary system is an indispensable condition of complete economic recovery. There is still

much to be done and it may be years before actual stabilization can be accomplished and the world again has a common standard of currency values based upon gold, at such parities as may be found practicable. But it is nevertheless highly gratifying that there is now at least a semblance of monetary unity and that business transactions are less hazardous than when the exchanges were continuously subject to wide fluctuations.

Maintenance of Canada's Credit

It should be a source of pride to all citizens of Canada that we have come through the deep and unprecedented depression of the past seven years without default on the part of the Dominion and, with only one exception, all its Provinces in meeting principal and interest upon their issued securities, whether maturing in Canada or elsewhere. Apart from the sense of satisfaction arising from the honourable fulfilment of public contractual obligations, Canada will undoubtedly reap the material benefit of an influx of capital which, had we failed to maintain our national credit standing, would certainly not now be available.

Problem of Unemployment

Canada's most urgent national problem is that of unemployment which, notwithstanding the marked improvement in our domestic business and foreign trade, persists in undiminished degree in the Dominion as a whole, although showing recession in several Provinces. That there is abuse of our relief system is undoubted, but making all allowance for this factor the number of genuinely unemployed is very great. Before the problem can be dealt with intelligently we must have detailed information concerning the entire body of the unemployed with a complete classification according to their individual trades or callings and aptitude, having regard to age and state of health, for absorption into the nation's industrial life. It is a mistake to assume that a general improvement in business will alone suffice to absorb this vast body of unemployed. Widespread improvement in business may be brought about by stimulation of certain classes of production, such as we now see in the case of our mining industry, and in the greatly increased activity in some of our manufacturing lines such as the motor-car and allied industries. But a general improvement due to causes such as these will not solve the problem of unemployment although it will of course materially assist. There will still remain an army of unemployed whose skill and energy cannot be availed of because the industries or trades to which they belong have lagged in the process of recovery. An example of this is to be found in the case of the building or constructional enterprises which are of such vital importance in the matter of employment. Once an authoritative survey is made as to the classes of the unemployed and their distribution throughout the Dominion, governmental policies can be intelligently directed toward meeting the situation by public works or otherwise, as may be deemed most expedient. Stability of currency is essential to the revival of private constructional or durable enterprises which furnish so much and so productive employment. Such enterprises are financed by the issue of long-term securities to the investing public. As long as national budgets remain unbalanced, with accompanying currency or credit inflation, uncertainty is bound to persist concerning the future value of the monetary unit. Investors will therefore hesitate to commit their savings to securities maturing in the distant future payable as to principal and interest in

currency whose purchasing power may during the long intervening period suffer material decline. The main cause of inflation is unbalanced national budgets. The remedy for inflation is the balancing of these budgets. So long as national budgets show no promise of great improvement so long will distrust prevail in the minds of investors and finally, should the deficits continue with no prospect of termination, confidence may be entirely lost with consequences with which the history of inflation in many countries has made us all familiar. I understand that the National Employment Commission appointed during the past year by the Dominion Government is now engaged in a survey on unemployment such as I have mentioned. When this is completed reliable information will be available upon which public policies may be based in the endeavour to solve this most intricate and perplexing national problem.

Grain Marketing Policy

I have suggested the need of a practical policy of grain marketing and of necessary reconstruction measures in the West. There is a disposition on the part of many in the West to insist upon a guaranteed price for wheat, even if this be higher than the world price and involve the risk of a heavy burden upon public treasuries. I am free to admit that the problems of the West are not as well understood as they should be and that the prairie grain growers have had grievances in the past in the obvious disadvantage of selling their products at world prices, sometimes at ruinously low figures, and of buying their requirements in a highly protected domestic market. Some adjustment of this unbalanced situation has been effected by the tariff revisions of the past year, by the spread of industrialism in the West (forty new industries were established in Winnipeg alone in 1936 and fifty new products added to the output of existing manufacturers) and by the more rapid increase in the prices of agricultural products than of retail goods. It seems clear that further measures to restore agricultural purchasing power are most desirable, and I heartily endorse the proposal that the affairs of the Prairie Provinces undergo a thorough examination by a Royal Commission with a view to their speedy improvement. I need not, however, remind the people of these Provinces that their fellow-citizens of other Provinces bearing in common with themselves the heavy burden of mounting taxes due to relief and other governmental expenditures in special aid of distressed areas, naturally look askance at any proposal to make up, year after year, any difference there may be between a required guaranteed price and the world price of wheat. The taxpayers are apt to consider this proposal as an admission of inability to adopt the best production policies and marketing methods. For my part I retain the greatest faith in the ability of the West to achieve a well-balanced, profitable agricultural system, and I cherish the belief that the great majority of its capable and self-reliant citizens will favour the policy of meeting price conditions relating to their production without seeking to impose upon themselves and other sections of the Dominion the heavy annual risk involved in maintaining an artificial guaranteed price.

It should be recognized that the present alignment of the world wheat supply in relation to demand is due more to exceptional crop damage over a large area than to increased consumption. Since 1932 the annual requirements of wheat importing countries from the major exporting group, including Canada, have averaged about 500 million bushels, as compared with the previous 5-year average of 760 millions, owing mainly to the desire of these importers to make themselves as independent as possible

of overseas wheat. Yet there is a clearly discernible tendency on the part of exporting countries to expand their acreage even beyond that which they sowed during the period when wheat-deficient nations were importing most heavily. It goes without saying that the policy of self-sufficiency followed by many countries, which were formerly large markets for foreign wheat, is economically and socially unsound, but it may not be altered materially for a long time. Thus, the exporting group faces the prospect of a subnormal market and, with the return sooner or later of average crops, another period of excessive supplies, in which the best results will accrue to growers with superior production and marketing practices. There is therefore as imperative a need as ever for improvement in the efficiency of Western agriculture and for aggressive sales policies, as well as for more strenuous efforts to diversify farming and to withdraw sub-marginal lands from cultivation.

Consolidation of Government Services

There is also national as well as regional reconstruction to consider carefully. If, contrary to the opinion this Bank has expressed for many years, legislative union of some of the Provinces is not regarded as feasible, there seems no valid objection to consolidation of certain services so as to end their duplication, particularly as between the Dominion, the Provincial and the Municipal Governments. There should be less objection to Municipal union than to Provincial, for with about four thousand municipal bodies we are greatly over-manned in local government. There is also the urgent need, as I stated last year, for an overhauling of our taxation systems so as to eliminate the overlapping which is now all too apparent, as well as to correct many inequitable and oppressive features of Dominion, Provincial and Municipal taxation.

Preservation of Forest Resources

Legislative reform of the foregoing types is essential, not only to aid our governments in reaching the goal they all desire, budgetary balance, but also to enable them to make new expenditures in two great national assets, our forests and our transportation systems. Our timber stands are among the most valuable of our resources, for with the complementary wood manufacturing industries they have a total annual production value of nearly 600 million dollars and furnish employment to about 250,000 people. Great as are the benefits from such extensive operations, they are derived from a continuously wasting asset, for with losses from cutting, fire, disease and destructive insects there is an annual forest depletion of nearly four billion cubic feet, which is not believed to be offset by new growth. If, therefore, as forestry experts claim, the growth increment is less than the total depletion, we are living off our forest capital, a condition which could be remedied by a system of real forest management. Unless steps are taken by governments for the replacement of timber cut and lost from other causes, we shall be faced before many years have elapsed with the disastrous consequences of our wilful neglect of this most valuable natural resource.

Canadian National Railways

We have been so concerned over the unsatisfactory earning power of the railway companies, and particularly over the recurring deficits of the Canadian National Railways, that we have overlooked the gravity of another transportation problem, that of reconditioning these systems.

While both companies are models of operating efficiency, they have considerable obsolete or out-of-date equipment and the question of replacement is a pressing one. We may safely leave the problem of adequate new equipment for the Canadian Pacific Railway to the directors of that company, but the problem in respect to the Canadian National Railways is a public matter. This important public utility must be kept in efficient condition by the provision of modern equipment, and while large capital expenditures would of course be necessary for that purpose, they might be justified by the lower operating costs which could reasonably be expected to follow the use of the more economical motive power units now available, as well as by the greater financial returns which would probably result from the introduction of more rapid freight and express service and more attractive travelling conditions.

Confidence Needed

We in this country are among the most fortunate of all peoples. We have succeeded in overcoming most of the forces of depression. We are exempt from that clash of violent and undemocratic elements which in Europe have betrayed the cause of peace and have had much to do with making that Continent the habitation of fear, hatred, civil strife and potential world war. Yet our economic position is challenging as well as heartening. It is challenging because our economic freedom presents the opportunity of repairing the errors of the past and of making the next period of prosperity more general and durable than those of former eras. There are many requirements essential to the attainment of that desirable ideal. I would remind you of one I have stressed at some of our previous meetings. It is confidence, of that type which rises above discouragement, faction and intolerance and which is the moral and hence the most powerful influence in business, and indeed in all relations between man and man, and between nation and nation. With that confidence, coupled with industrial enterprise and the vast national assets at our command, we can establish our economic and social life on a higher plane than has previously been enjoyed by the Canadian people.

Retirement as President

(After the adoption of the Report Sir John Aird announced his retirement as President.)

Before proceeding with the next matter on our agenda, I wish, with your permission, to make a statement in regard to my future relations with the Bank. For the past twelve years the Directors have honoured me by electing me to the position of President, which honour I have greatly appreciated. I have been continuously in the service of the Bank for nearly sixty years. During that period I have occupied almost every type of position, from that of Secretary to the General Manager in 1878, to that of Branch Office Manager, Superintendent of Central Western Branches, Assistant General Manager, General Manager, Director and Vice-President, and finally President. It is my desire now to be relieved of the responsibility of discharging the duties of that most important office, and I trust you will agree that I am entitled to release. It is my intention, therefore, to ask the Board of Directors at its first meeting to elect as President someone other than myself. Should you, however, allow me to continue as a Director, I shall be pleased to act in this capacity.

Address of the General Manager, Mr. S. H. Logan

Moderate progress in practically every department of the Bank is reflected in the Annual Statement presented to you to-day. Total assets rose during the year by $8,200,000 to $637,700,000. Quick assets increased by over $30,000,000 to $394,000,000 which represented 67 per cent. of the total liabilities to the public, as compared with a ratio of 63 per cent. for the previous year. Total deposits show an increase of $8,400,000, but substantial changes took place during the year in the items making up that aggregate. For example, a gain of $39,500,000 in non-interest bearing deposits was largely offset by two reductions. One of $15,200,000 was in interest-bearing deposits due to the discontinuance by all banks early in 1936 of the payment of interest on current accounts, and the other of $15,800,000 was in Government deposits and deposits by other banks. You will remember that in our last Annual Report I stated we were carrying at that time some quite large deposits of a purely temporary nature.

The Bank's Statement

Our cash position at the year end was unusually strong. Combining cash with notes and cheques on other banks and balances with other banks, the Statement shows a total of $119,000,000. Security holdings rose during the year by $2,600,000 to a total of $222,000,000.

Total loans of the Bank which, including call loans, aggregated $253,000,000, declined by only $7,500,000, notwithstanding extensive liquidation of some large advances made in former years to public utilities and for the carrying of wheat. Call loans outside Canada rose by $9,400,000 and those in Canada by $6,800,000. Current loans outside Canada increased by $2,000,000, but on the other hand current loans in Canada decreased by $19,700,000. The low point resulting from this liquidation was reached in June last, since which time current loans gradually increased by about $20,000,000. Part of this gain was seasonal but the tendency of loans is, nevertheless, still upward. Net profits (after deducting taxes) of $2,900,000, showed an improvement of $120,000 in comparison with our earnings in 1935. The foregoing summarizes the outstanding features of the Statement.

Personal Loan Departments

The inauguration by the Bank of Personal Loan Departments has already been mentioned in the Directors' Report. I might add that every one of our branches in Canada is now equipped to make these loans to people with small but steady incomes who find themselves in temporary need of financial help.

The terms upon which this help is given compare very favourably with those offered by others who lend to people in this category, and should, we believe, prove both acceptable and convenient to many borrowers who have not in the past been aware that the lending facilities of banks were available to them.

The plan is one which enables the wage earner to cope with emergencies, to make expenditures of advantage to himself and his family, or, by consolidating debts already incurred, to ease the pressure upon him by permitting their payment under a budgetary plan. I would stress the fact that in no circumstances does the plan encourage the borrower to incur debt beyond the sum which he estimates is well within his capacity to pay.

During the six months that the plan has been in operation we have made nearly 15,000 loans, which we feel proves that the Bank is offering a real and valuable service which the community appreciates. It will of course take a greater volume of loans to place the Departments on a profitable basis but we are confident that our anticipations of fair remuneration will be realized.

We are, as well, willingly co-operating in the Home Improvement programme of the Dominion Government by making loans of a personal character at a low rate of interest. These loans should not only help numerous home owners to make their dwellings more comfortable, but should also provide, in the national interest, a stimulus to the building trade—an important field where unfortunately recovery still lags.

You may be interested in some information from the latest annual return to the Government which classifies our loans in Canada by the borrowers' occupations.

Distribution of Loans

The largest single occupational group, out of a total of 81,000 borrowers, consists of some 29,800 customers engaged directly in agriculture. Loans to sundry individuals not specifically classified by occupation numbered 35,700. As regards the distribution in amount of total loans, agricultural loans, including the financing of grain from the farm to the export market, accounted for 21 per cent., manufacturers and other producers took 18 per cent., while wholesalers and retailers absorbed 7 per cent. Private individuals borrowed 15 per cent., governments and municipalities 14 per cent., brokers and bond dealers 13 per cent., while construction, because of its low ebb, accounted for only 3 per cent. It is interesting to observe how closely these percentages compare with those of the last Dominion census classifying gainfully employed Canadians by the occupations which they followed.

These figures indicate how wide and varied is the field served by the Canadian banking system, and how large is the number of borrowers who rely on the aid of bank loans in the conduct of their affairs.

There are men, of whom a few are in positions of responsibility, who decry our banking system as a mechanism which, for the benefit of bankers alone, enslaves the people by forcing upon them an ever increasing burden of debt from which they can never hope to escape. To this cause, they claim, can be attributed all hardship and poverty and they urge, therefore, that the system should be changed.

Loans are, however, never forced by the banks on unwilling borrowers, but are sought by borrowers in the expectation that borrowing will be to their advantage. Unless the banker, on examination of the facts, agrees that such expectations are reasonable he is most likely to deny the applicant's request and will at least attempt to dissuade him from the venture. Since borrowers take the initiative in obtaining loans it is absurd to say that the banks force debt upon them.

In some cases the combined judgment and anticipations of the borrower and banker prove at fault and loss is involved to one or both, but the vast majority of loans do aid the borrower in improving his position and are paid off by him at maturity without difficulty. If this were not so no bank could long survive. No system devised by the ingenuity of man will, however, permit escape from the marginal loss due to human error and miscalculation.

Impressive Business Gains

Our domestic situation is one which encourages optimism.

The signs of business improvement for some time evident in Canada are, at least in the more thickly settled areas, becoming much more pronounced. This improvement is especially remarkable because it has developed, and is sustained, in the face of many adverse conditions. Field crop failures were widespread in 1936 owing to the most unusual weather, yet the smaller yield was of such high quality, and in such keen demand, that its value was greater than last year by 80 million dollars. Total agricultural income is estimated to have risen by 15 per cent. and to have brought farm purchasing power close to the level of 1930.

Our satisfaction over these surprisingly good results in a year when agriculture faced immense handicaps must, however, be tempered by a realization that many farmers in the worst drought areas did not share in these higher returns. A number are suffering from the cumulative effects of recurring crop damage and are in acute distress. But the fact remains that two-thirds of the agricultural community, farmers and their dependents, are in an improved position.

With few exceptions our industries have operated at a normal rate of activity. Virtually all of our modern manufacturing facilities in the forestry branch have been utilized in providing about 40 per cent. of the world's requirements of newsprint paper and at least 15 per cent. of the world trade in lumber. During recent months, moreover, logging activity was more than one-third greater than in the like period in 1935, which foreshadows an even higher production for newsprint paper and lumber mills in the current year.

The heavy, or capital goods, industries have surged forward at a pace beyond expectation. Notwithstanding the slow recovery of construction, a large and representative group of the heavy industries, whose production records are available to the Bank, are now operating at an average rate 50 per cent. greater than two years ago. I suggest that the revival in this particular line is one of the brightest features in our general economic situation. The re-employment of a host of trained workmen, whose skill was being impaired by idleness, removes a very real threat of a loss to Canada in industrial efficiency. It indicates also that other branches of manufacture are commencing to bring idle capital into use to provide replacement of obsolete equipment.

New Mining Record Set

The Canadian mining industry has shown great strength in recent years and has gained a leading position in the international base metal market. In 1936 our production of minerals was valued at $360,000,000, the largest amount on record for Canada. With the exception of the return paid on foreign capital employed, and the cost of equipment unobtainable in this country, virtually all of this sum has been, or is being, disbursed in Canada to pay for labour, supplies, transportation and other services, and as dividends to Canadian investors.

These immediate advantages, and those derived from the firm resistance offered by our mining activities to the effects of the depression, are generally recognized and appreciated. There are others which may be overlooked, although of equal or greater importance, but which must eventually come to a country so richly endowed with minerals as Canada.

Sources of energy and metals conveniently at hand have played an important part in industrial growth the world over. Wherever generous

mineral deposits have been found (as, for example, in the United States) the mining industry has passed through several stages of development which have led finally, not only to the establishment of large metal fabricating units, but to a great variety of other industrial plants and, incidentally, to a substantial increase in population.

We have made some progress along this path, for our vast mineral areas are being diligently explored and already yield thirty of the fifty minerals for which there is the most substantial world demand. We have developed metallurgical units which rank among the most important in the world, and we are now smelting and refining a large proportion of the metals we have for sale abroad. Thus we have laid the foundation for establishing a great industrial structure based upon our mineral resources and their conversion in Canada into manufactured goods for home and foreign consumption.

Pending the expansion of Canadian industry to the latter stage our metal producers have been able, in sharp competition with those elsewhere, to place about 90 per cent. of their products in foreign markets. Minerals and their products, indeed, accounted for about one-quarter of all Canadian exports in 1936.

Export Trade Reached Billion Mark

We have every reason to congratulate ourselves on the record of our general export trade. We reached the billion dollar mark for the first time since 1929, when exports stood at $1,200,000,000.

This achievement is the more remarkable because the general price level in that interval has fallen by 22 per cent. If, therefore, our present volume of export trade were calculated in terms of 1929 values the result would exceed the total of that year by about $80,000,000. On a comparable basis it would be about $65,000,000 higher than exports in 1926, which is generally regarded as a normal post-war year. It is, moreover, doubtful whether at any time the benefits of our export trade have been so well distributed among Canada's various industries as in 1936.

When we compare the results in Canadian export trade with those achieved by other countries our good fortune is emphasized, for I find that the rate of increase in the average monthly gold value of our exports during the first ten months of 1936 over 1935 was not only triple the rate of increase of the world as a whole, but was also greater than that of any other major exporting country.

Canada improved its position among the world's exporters by drawing ahead of France into fourth place, and by further widening the margin between its level of export trade and that of Japan, which continues to occupy sixth place.

As was to be expected, the striking increase in exports stimulated our demand for imports, which rose by over 10 per cent. The final result was a margin of exports over imports in excess of $350,000,000, and thus we had to our credit the third largest merchandise trade balance this country has enjoyed in the post-war period.

The hazards and hardships of pioneering in a new country would have overwhelmed our forefathers had they not possessed vision, energy and courage. I believe that these qualities still survive in our people, that they will enable us to solve the problems which now confront us and so to develop our heritage that we shall ensure an enviable future for Canada.

IMPERIAL BANK OF CANADA

BUSINESS REVIEWED AT THE SIXTY-THIRD ANNUAL MEETING*

Address of the President Mr. A. E. Phipps

At our last meeting by By-law No. 42 the authorized number of Directors was raised from twelve to fifteen. On 27th January the Board appointed Colonel Arthur L. Bishop of Toronto and Mr. E. E. Buckerfield of Vancouver and shortly after on 3rd February Mr. C. Gordon Cockshutt of Brantford. These gentlemen will offer themselves for election.

For some time Mr. Rolph, who has been a Director since 1919, had expressed a desire to be relieved of some of his duties and responsibilities, having given very close attention to the affairs of the Bank for the past seven years as President. On December 30th, 1936, his resignation as President was at his own request accepted and he was immediately appointed Chairman of the Board. We hope that he will continue as Chairman of the Board for many years. As you know I was selected to fill the position of President and Chief Executive Officer. Mr. H. T. Jaffray the former Assistant General Manager, who has been my close associate for over 30 years, was selected to succeed me as General Manager and two Assistant General Managers were appointed, Mr. W. G. More and Mr. Gordon D. Ritchie both experienced and seasoned officers in the Bank's service. I think the result of the year's operations and the Balance Sheet which is in your hands and which Mr. Jaffray has explained to you indicate that the choice of the General Manager was an eminently wise one and that the Executive functions are in thoroughly capable hands.

Public Financing

Published figures place the surplus revenues of the Dominion for the seven months ended 31st October at $33,372,000 against a deficit at the same time last year of upwards of $64,000,000—a truly remarkable turnover. The improvement is partly due to lessened expenditures of $44,000,000 but to a greater degree to larger revenues; Customs duties, Excise duties, Excise taxes, Income taxes, and Post Office receipts altogether showing an increase of $53,000,000 for the period. This increase in revenue if it indicates anything means greater activity in almost all forms of business. We hope that this improvement will continue and may be taken as a sign that there will be no increase in Dominion taxes next year but that we may hope for some amelioration.

Provincial finances with exceptions appear to be in a healthy condition. The position of the Maritime Provinces is generally satisfactory; Quebec recently put out a short loan at the extremely low rate of 1 per cent.; Ontario finds no difficulty in borrowing money on practically a parallel basis with the Dominion; there has been a marked improvement in the

*NOTE.—Held on Nov. 24, 1937.

financial position of Manitoba; from British Columbia we learn that Provincial revenues are high and the budget has been able to take care of all expenditures except direct relief and some Sinking Fund requirements. The condition of Saskatchewan seems sound but is strained and their securities are at lower levels. In Alberta while conditions are favourable and revenue is more buoyant the Provincial finances are bedevilled by Social Credit policies largely directed by theorists from England.

The municipal financial picture is better. No more major defaults have taken place and the re-adjustment in Ontario municipalities is proceeding surely if slowly and at least in one case, the border cities, now the City of Windsor, the problem has been solved. Also the financial affairs of the two large cities of Edmonton and Calgary in Alberta appear to be on the point of solution. Altogether the picture in public financing is brighter though the market for some classes of securities is still practically non-existent.

Business Conditions

Turning to business conditions and dealing first with agriculture—Ontario experienced an excellent year. Field crops including grain, hay, roots, and tobacco have been abundant and prices have remained at satisfactory levels. The growers of fruit have had good yields and average prices and the market for dairy products and live stock of all kinds has been strong with prices satisfactory. The wheat crop in Manitoba is reported to be worth in money $52,000,000 compared with $25,000,000 last year due to increase in yield and market prices. It is the best paying crop I think over a period of ten years. In Saskatchewan the results were not good, a very large area returning nothing on account of drought. The yield of wheat for the entire Province has been placed at 38,000,000 bushels whereas the average yield for ten years 1922 to 1931 was 208,000,000 bushels and the largest crop recorded was in excess of 300,000,000 bushels in 1928. Coupled with this the drought produced a very serious shortage of feed and much live stock had to be shipped out or slaughtered or otherwise disposed of. To sum up, the estimated gross revenue from agriculture in the Province of Saskatchewan is estimated at $74,000,000 for 1937 compared with $181,000,000 in 1936. Reports state that in many places in the drought area more rain fell in the months of September and October this year than in the same period in the five preceding years combined, so that the outlook for the future is better. In Alberta, while there was a partial and even total crop failure in some parts, there was generally a good harvest. Moreover there was a very substantial export of beef cattle to the United States and prices for all kinds of live stock were better than for some years. Recent estimates place gross agricultural revenue of Alberta for 1937 at $171,000,000 compared with $143,000,000 in 1936 and altogether most of the agriculturists of that Province have not much to complain about. Conditions in Quebec and the Maritime Provinces are also reported satisfactory.

The live-stock industry benefited by the cutting of the United States Customs duty by $9.00 per head on cattle. This year thus far shipments to the United States have exceeded 185,000 head of which 175,000 were beef cattle, the financial gain to the industry being in excess of $2,000,000. Great Britain continues to be the principal market for our surplus hog products. The quota is 280 million pounds annually. Our exports of hog products to Great Britain have risen from 11 million pounds in 1931 to an

estimated 190 million pounds in 1937. The latest available statistics supplied to me estimate the total gross revenue from agriculture in Canada at $1,097,000,000 for 1937 compared with $1,061,000,000 in 1936.

Foreign Trade

Foreign trade has grown substantially and Canada now ranks fifth among the trading nations of the world. Our credit balance last year was near to $400,000,000 and will be only slightly less this year. The nature of our products gives us an advantage in world markets. Canadian wheat is at a premium; our gold of course is in demand everywhere and the demand for our forest products including pulp and paper is wide. We can compete with all nations in the production of base metals and our nickel is a practical monopoly.

Manufacturing

In point of dollar value our leading manufacturing industry is the food products group, and I am informed this department of industry is at the highest level it has ever been. Iron and steel has made a new record in production. Demand for machinery shows marked improvement and although agricultural implements are behind the high levels of the past, the demand both at home and abroad is more active than for some years. Textiles have continued active all year and orders are booked ahead for some time. Generally, industrial activity in 1937 was substantially greater than in 1936 and in many important industries will set a new record.

Lumbering

Lumbering in all parts of Canada has been active, but latterly in British Columbia has slowed up due to increased ocean rates and lack of demand in the United States market. In Ontario both production and prices are well maintained and although costs have substantially increased the industry is prosperous, with this year's cut contracted for. Over the whole of Canada production will probably be 10 per cent. ahead of last year. While we depend largely on export markets, return of a normal building activity at home will immediately benefit this industry. Employment is not far behind the 1926 level.

Mining

Mining is active and prosperous right across Canada. Estimated production of all minerals for 1937 is $435,000,000, a generous increase over last year. Gold continues to make new records year by year and the estimated production for 1937 is $145,000,000. It is interesting to note that the Province of Manitoba will produce gold this year to an approximate value of $6,000,000. General production of all minerals for the first half of the year shows an increase of 15 per cent. Copper, nickel, zinc and lead are all substantially increased. Even coal shows a small gain. The industry is on a sound basis, paying substantial wages to many, reasonable dividends to owners and adding materially to Government income through various forms of taxation.

Oil and natural gas principally in Alberta has shown tremendous development throughout the year. The oil industry bids fair to become one of the principal sources of wealth in that Province. It seems to be largely a question of marketing.

Construction

The slowest of all industrial activities to respond to better times, construction nevertheless shows an increase in volume of about 25 per cent. over the preceding twelve months. Employment is approximately 75 per cent. of normal, taking the year 1926 as par for this industry. The Home Improvement Plan has done a great deal to help small contractors as well as manufacturers of household fixtures, and those responsible for the conception and carrying out of this Plan are worthy of the highest commendation. The total amount of loans made under this Plan by all the Banks up to 30th October amount to the substantial sum of $11,000,000. The volume of construction work contracted for but unfinished is considerably more than last year.

Paper Products

Production in newsprint reached a new high in June with an output to the value of some $11,000,000. Prices of newsprint have increased by $5.00 to $7.50 per ton largely offset by increased costs. It is interesting to note that the market for newsprint has recently been expanded by a contract to supply 175,000 tons annually to the Antipodes at a cost based on the New York price.

Stock Market

For the last two or three months there has been a persistent weakness in the stock market both in the United States and Canada bringing stocks of all kinds to lower levels than at any time since the slump of 1929. Speculation was rife both in the United States and Canada and it only needed the adoption of regulatory policies by the Government of the United States, at least I take that to be the principal cause, to bring about a weakening of the structure which rapidly brought securities of all kinds to much lower levels. The situation appears to be flattening out and while no one can forecast much improvement in prices there is no doubt that many valuable stocks are selling below what would ordinarily be accepted as their value.

The conclusions that I arrive at are that we may look with some confidence for increased and more profitable business for your Bank in spite of the low rates prevailing on investment securities, which perforce must constitute a large proportion of a bank's assets. The business of the Canadian Banks has grown and is still growing in what appears to be a healthy fashion and I see no reason why that should not continue and that with the upswing in commercial business we may expect at least as profitable a year for this Bank in 1938 as has been enjoyed in 1937. Canada is sound and has a virile and industrious population, natural resources of every kind, sound government, and a broad outlook and will not easily be turned aside from reaching the full fruition of her destiny.

"PRESENT OUTLOOK MORE FAVOURABLE"

THE BANK OF TORONTO

THE EIGHTY-FIRST ANNUAL MEETING*

The Address of the President, Mr. J. R. Lamb

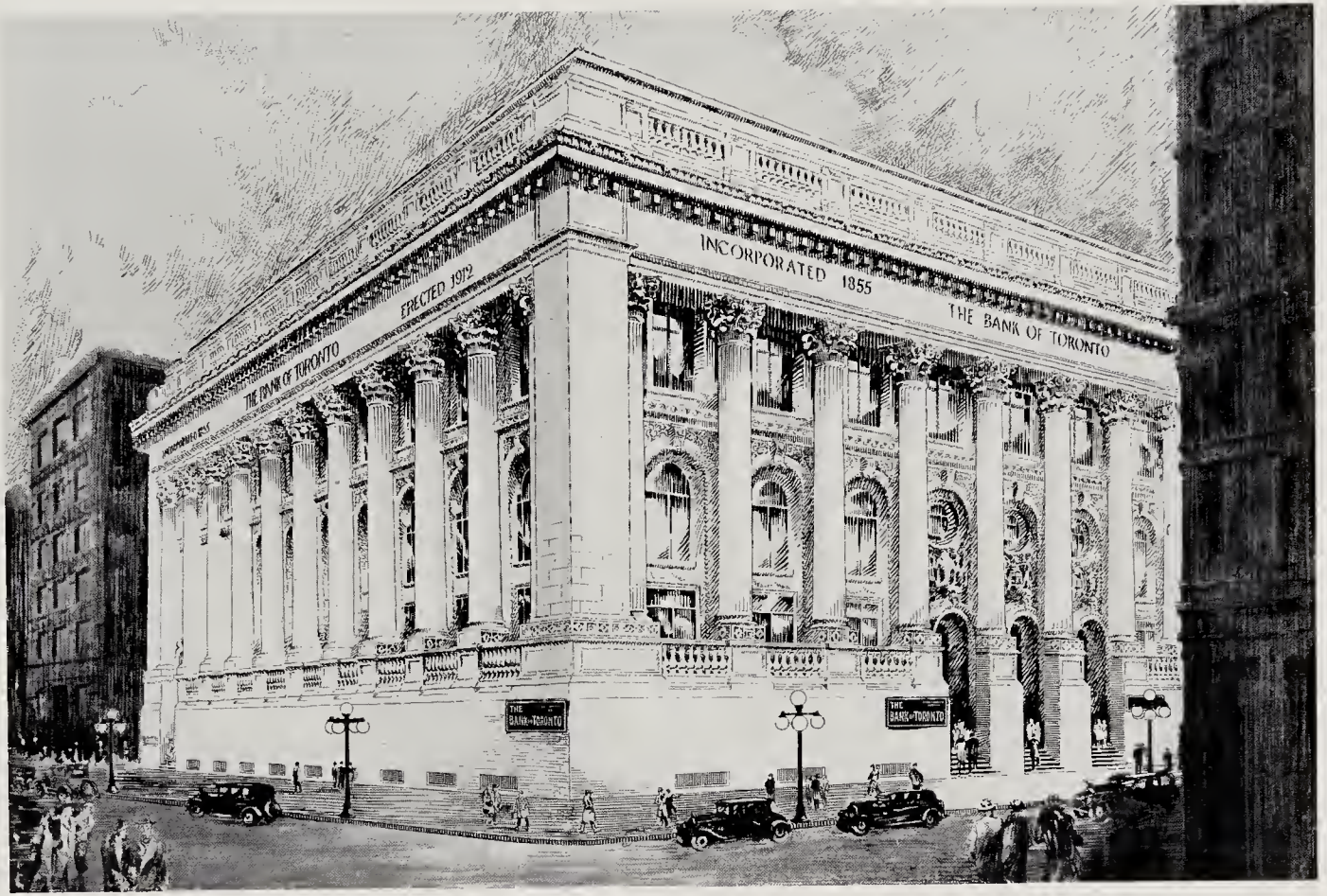
Our Annual Meeting this year takes place under somewhat brighter conditions than those of several years past. The outlook, also, is generally good, with the exception of the ever-present possibility of international complications, which would change the situation entirely.

We have had nearly four years of fairly consistent recovery, with a gradual building-up of confidence in the future. People were slow to realize that the corner had been really turned. Now that this stage has been passed, there is an inclination to indulge in speculative activity. In the past two years stock-market values have nearly doubled, part of the rise being purely in the expectation of future earnings. Meanwhile, over ten per cent. of our workers are unemployed, and some important phases of business, notably real estate and building, have so far remained inactive. Obviously we have not yet achieved the balanced all-around activity which is needed to provide real prosperity. It is therefore necessary that we leaven the favourable news and rumours of the day with some thought about what remains to be done.

International events, and particularly the recurring possibility of a major war, at first over the Ethiopian and later over the Spanish situation, were a cloud on business during the year and interfered with plans for expansion. The political and economic situation in the Old World can scarcely be said to be showing much, if any, improvement even now, and as a part of the British Empire we can hardly be so detached in our view as our powerful and independent neighbour to the South, whose lead in economic matters we have a tendency to follow. We, however, have tried to make the best of circumstances from day to day, and will continue to do so, but only as the world moves away from this constant threat of major wars, if this ever happens, will we feel the confidence and security so important to the development of our wide areas and great resources.

In the midst of this political uncertainty there has been some progress in trade relations. The total foreign trade of Canada increased from 1,378 millions in the twelve months ended November, 1935, to 1,628 millions in the period ending a year later, imports rising from 562 millions to 634 millions, and exports from 816 millions to 994 millions. The specially large gain in the value of exports has been due, in part, to the using up of surplus stocks of some of the basic commodities, the resulting rise in the price of which has been of much benefit to Canada. While partly offset by the increase in imports, there remains the unusually large "favourable" balance of 360 millions for the past year. This is not far from a normal condition for Canada, in view of the heavy investment of outside capital in this country, the annual earnings on which must be covered by commodity exports unless the debt is to be further increased. In

*NOTE.—November 30th, 1936.



THE BANK OF TORONTO, TORONTO

these days a narrow view is being taken of international credit, and this cannot be criticized in the light of recent events. Trade, consequently, is largely on the basis of barter, with a few leading currencies serving as media of exchange and for short-term credits.

Coupled with this improvement in our external trade, there has been expansion in domestic business. Growth in buying power is cumulative in its influence, and we have benefited from improvement in the three previous years. Crops in 1936 suffered severely from heat and drought in parts of Ontario and the prairies and in a large section of the United States, but the net result has been such a rise in prices as to increase the buying power of farmers as a whole in Canada.

The lumber industry has come back strongly, providing employment and healthy activity in many communities. This has extended to newsprint, some plants being at or near capacity, with the price situation nearing the point where advances may be made.

The mines continue in the forefront of development. New gold properties have widened our frontiers of settlement in several directions, while demand for base metals has recovered to levels which encourage production and exploration.

In manufacturing there has been widespread recovery due to accumulation of demand from both export and domestic sources.

Construction is practically the one industry which seriously lags behind the general recovery. There is perhaps little which can be profitably said with respect to the building industry. Houses are needed, but the industry cannot go ahead because it is not on an economic basis. Costs and carrying charges are too high. No doubt an absolute dearth of housing will, in time, bring about some readjustment. In the meantime, progress will probably be disappointing.

Looking around us at this time, we are inclined to ask ourselves what are the difficulties still in the way of full and sustained recovery? We would name them in the following order:

1. Our heavy public debts with consequent onerous taxation;

2. The cost of Government, for which the wide extent of the areas within our borders is partly responsible;

3. A population relatively small in proportion to territory occupied;

4. Our annually recurring railway deficit.

We should name, also, trade barriers in the form of import duties, quotas, and depreciated currencies, which are still so considerable as to make it impossible for foreign trade to reach the level which is needed for a full measure of prosperity in Canada. These difficulties cannot be overcome in a month or a year, but with unity of purpose and strict economy in public expenditures we may look forward to gradual improvement.

As to the more distant future, we must expect reactions somewhat similar to those which have occurred in the past, but with shortages to be made up in so many lines we can reasonably look to a few years of comparative activity. Easing of trade barriers can help a lot in that direction. Another factor is the additional reserve of credit that has been made available through the reduction in the gold equivalent of the dollar. The significance of this is gradually becoming apparent in the rapid advance in commodity prices, accompanied by forward buying. It appears that from now on the real problem will be to keep activity within healthy and

constructive channels, rather than have the movement dissipated in a boom based on artificial conditions.

Turning now to our own business of banking: If the Banks are not the first to feel the blight of a depression, they are certainly among the last to experience the benefits of recovery. Those of you who follow banking figures published each month through the Government, will have observed that commercial loans, which constitute the principal source of bank earnings, again show a decrease of 164 millions or 19 per cent. for the year ending 30th November last. Deposits by the public in Canada have increased by 139 millions, and securities are up by 179 millions to 1,316 millions, an increase of 836 millions since 1926, and still rising. These figures cause us seriously to think, and to ask ourselves when and at what cost we may get back to a position where the proportion of our funds invested in this form is in more reasonable ratio to deposit liabilities.

Our own commercial advances are down 12 millions. This reduction is due almost entirely to smaller advances against grain, both to the Wheat Board and to the Trade against the current year's operations; in fact, our grain advances have not been so small for many years, but liquidation of the wheat carryover and the brisk demand for the 1936 crop are sound movements and are welcomed by the Banks, although in the meantime advances are very substantially reduced for ourselves as well as for other banks.

We are glad to see indications that the trend in commercial loans is changing. In the later months of 1936 substantial increases were reported, and we fully expect to see further gradual increases during the current year, reflecting forward buying of raw materials and higher commodity prices.

You will see that our profits for the year have been satisfactory. I will not allude further to the figures, as the General Manager will deal with that subject.

I do wish to refer to the load of Dominion, Provincial and Municipal taxes borne by the banks, which in our case amounted to $8.57 for every share of stock outstanding, or nearly as much as the dividend payments.

Our profits, after depreciation of bank premises, amounted to 6.39 per cent. on shareholders' total equity, which can hardly be regarded as excessive for a common stock carrying a double liability.

Banks do not object to paying their share of taxes, but we are subject to special levies which cannot be justified except on the ground that bank investments are more profitable than the average earned by corporations engaged in other classes of business. Actually, the contrary is the case.

The number of our shareholders on the 15th of November last was 1,339, and the average holding slightly less than 45 shares. We cannot, therefore, be regarded as an organization of big capitalists, but rather as one in which capital is brought together from persons of moderate means, for purposes of administration.

Before concluding I have to refer, with great regret, to the passing during the year of Mr. Thomas F. How, formerly General Manager and a Director of this Bank. Mr. How's connection with the institution extended over 60 years, and he was at all times a competent and faithful officer.

We have also to note the resignation from the Board of Mr. A. H. Campbell whose condition of health recently has been unsatisfactory, and

he desired, in consequence, to be relieved of the responsibility of office. Mr. Campbell served on the Board for over 20 years, and we shall greatly miss his presence at our meetings.

I take the opportunity, also, of introducing a recent appointee to our Board in the person of Mr. Harry J. Carmichael, Vice-President and General Manager of the General Motors of Canada, Limited, who was recently elected to replace the late Mr. Thomas F. How. We have had an acquaintance with Mr. Carmichael extending over many years. He is a first-class executive, and we are confident will prove an important acquisition to the Board.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832

GENERAL OFFICE - - - TORONTO, ONT.

BOARD OF DIRECTORS

S. J. MOORE, Esq., *Chairman of the Board*, Toronto, Ont.

J. A. McLEOD, Esq.
President
Toronto, Ont.

HECTOR McINNES, Esq., K.C.
Vice-President
Halifax, N.S.

W. W. WHITE, Esq., M.D. ..... Saint John, N.B.
HON. WILLIAM D. ROSS ..... Toronto, Ont.
HON. GEORGE BRYSON ..... Fort Coulonge, Que.
RUSSELL BLACKBURN, Esq. ..... Ottawa, Ont.
ALEXANDER MACLAREN, Esq. ..... Buckingham, Que.
HON. GEORGE GORDON ..... North Bay, Ont.
F. P. STARR, Esq. ..... Saint John, N.B.
SIDNEY T. SMITH, Esq. ..... Winnipeg, Man.
HON. JAMES C. TORY ..... Halifax, N.S.
LEIGHTON McCARTHY, Esq., K.C. ..... Toronto, Ont.
W. M. BIRKS, Esq. ..... Montreal, Que.
J. FRED FRASER, Esq. ..... Halifax, N.S.
HON. F. B. McCURDY, P.C. ..... Halifax, N.S.
A. L. ELLSWORTH, Esq. ..... Toronto, Ont.
JAS. Y. MURDOCH, Esq., K.C. ..... Toronto, Ont.
LT.-COL. J. D. FRASER ..... Ottawa, Ont.
H. F. PATTERSON, Esq. ..... Toronto, Ont.

GENERAL MANAGER'S OFFICE, TORONTO

105th ANNUAL REPORT

GENERAL STATEMENT AS AT DECEMBER 31st, 1936

LIABILITIES

Capital paid up		$ 12,000,000.00	
Reserve fund		24,000,000.00	
Dividends declared and unpaid		362,017.95	
Balance of profits, as per profit and loss account		803,316.30	
			$ 37,165,334.25
Notes in circulation		$ 9,415,910.50	
Deposits by and balances due to Dominion Government	$ 635,848.36		
Deposits by and balances due to provincial governments	964,737.72		
Deposits by the public not bearing interest	58,077,948.87		
Deposits by the public bearing interest, including interest accrued to date of statement	178,833,025.87		
		238,511,560.82	
		$247,927,471.32	
Deposits by and balances due to other chartered banks in Canada		2,711,043.12	
Deposits by and balances due to banks and banking correspondents in the United Kingdom and foreign countries		2,128,374.63	
Bills payable		23,888.70	
			$252,790,777.77
Acceptances and letters of credit outstanding			6,699,886.11
Liabilities to the public not included under the foregoing heads			303,269.15
			$296,959,267.28

ASSETS

Gold held in Canada	$ 2,120.64	
Subsidiary coin held in Canada	365,621.98	
Gold held elsewhere	4,564.01	
Subsidiary coin held elsewhere	1,763,801.03	
Notes of Bank of Canada	3,561,986.75	
Deposits with Bank of Canada	20,125,842.49	
Notes of other chartered banks	434,640.24	
Government and bank notes other than Canadian	3,948,200.58	
Cheques on other banks	11,894,927.62	
Due by banks and banking correspondents elsewhere than in Canada	7,808,371.11	
	$ 49,910,076.45	
Dominion and provincial government direct and guaranteed securities, maturing within two years, not exceeding market value	34,614,771.14	
Other Dominion and provincial government direct and guaranteed securities not exceeding market value	55,571,899.30	
Canadian municipal securities, not exceeding market value	12,702,695.69	
Public securities other than Canadian, not exceeding market value	820,066.96	
Other bonds, debentures and stocks, not exceeding market value	14,111,656.64	
Call and short (not exceeding thirty days) loans in Canada on stocks, debentures, bonds and other securities, of a sufficient marketable value to cover	14,164,751.45	
Call and short (not exceeding thirty days) loans elsewhere than in Canada on stocks, debentures, bonds and other securities, of a sufficient marketable value to cover	2,684,758.96	
		$184,580,676.59
Current loans and discounts in Canada, not otherwise included, estimated loss provided for	$ 71,608,491.41	
Current loans and discounts elsewhere than in Canada, not otherwise included, estimated loss provided for	16,676,469.14	
Loans to provincial governments	887,467.14	
Loans to cities, towns, municipalities and school districts	5,770,363.15	
Non-current loans, estimated loss provided for	718,661.23	
Liabilities of customers under acceptances and letters of credit as per contra	6,699,886.11	
Mortgages on real estate sold by the bank	99,668.62	
Bank premises, at not more than cost, less amounts written off	6,653,837.29	
Deposit with the Minister of Finance for the security of note circulation	584,013.62	
Shares of and loans to controlled companies	2,600,000.00	
Other assets not included under the foregoing heads	79,732.98	
		112,378,590.69
		$296,959,267.28

J. A. McLEOD, President. H. F. PATTERSON, General Manager.

Auditors' Report to the Shareholders of The Bank of Nova Scotia:

We have examined the above General Statement of Liabilities and Assets as at December 31st, 1936, and compared it with the books at the Chief Office and with the certified returns from the Branches. The Bank's investments and cash on hand at the Chief Office and at the Toronto and Montreal Branches were confirmed by us at the close of business on December 31st, 1936. We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

We report that in our opinion the above statement discloses the true condition of the Bank and is as shown by the books of the Bank.

D. McK. McCLELLAND, F.C.A., of Price, Waterhouse & Co.
A. B. SHEPHERD, F.C.A., of Peat, Marwick, Mitchell & Co. } Auditors.

TORONTO, CANADA,
15th January, 1937.

OSLER AND HAMMOND

INTERNATIONAL STOCK BROKERS OF TORONTO

FOUNDED BY SIR EDMUND OSLER IN 1867

Head of a Distinguished Canadian Family

Founded in Confederation year, the brokerage house of Osler and Hammond is now seventy years of age. From the outset it has possessed a well-merited reputation as one of the soundest and most conservative, and yet most constructive financial firms in the history of Canada. The head of the house, Mr. Edmund Boyd Osler (created Sir Edmund in 1912) belonged to one of Canada's distinguished families. He and his three brothers, Sir William Osler, Mr. Britton B. Osler, and the Hon. Featherstone Osler were sons of the Rev. F. L. Osler, an Anglican rector of York and Simcoe counties. Sir William became one of the most famous medical men in the world, a professor of medicine at universities in Canada, the United States and Great Britain and a celebrated author. Mr. B. B. Osler for long stood in the very forefront of Canadian counsel at the Bar, while the Hon. Mr. Justice Osler was a highly respected judge of the Court of Appeal for Ontario. It is not surprising that from such stock should have sprung a man of the financial calibre and character of Sir Edmund Osler.

Sir Edmund, who retained his connection with the Osler firm to the time of his death in 1924, possessed a remarkably keen business sense. It was largely due to his rare gifts that the firm became a leading factor in the financial world. He was Member of Parliament for West Toronto from 1896 to 1917, and was knighted in 1912 by King George the Fifth.

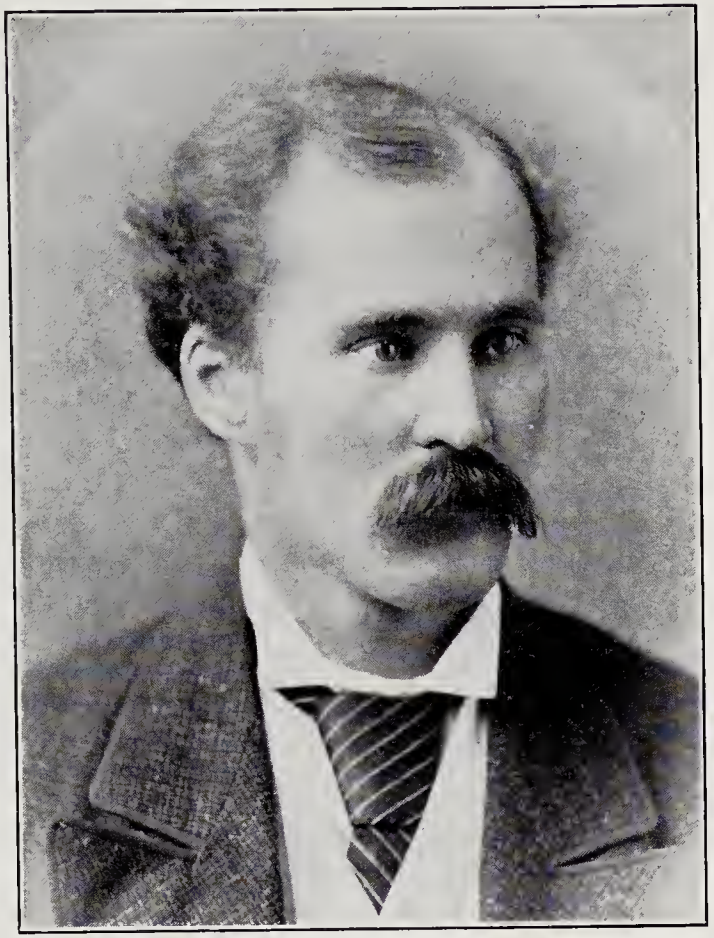
In his association with The St. George's Society of Toronto, holding the office at one time of President, Sir Edmund lived up to his British traditions. His philanthropic interests were extensive. He was particularly sympathetic toward under-privileged children; those in the City's hospitals and orphanages were the yearly recipients of his beneficence.

He was liberal in his contributions to sports. As a young man he took a keen personal interest in the English game of cricket. Golf, too, was a hobby for many years: he was a charter member of the Toronto Golf Club in 1876 and his name is perpetuated in the handsome silver cup known as the "Osler trophy", presented by him and played for annually.

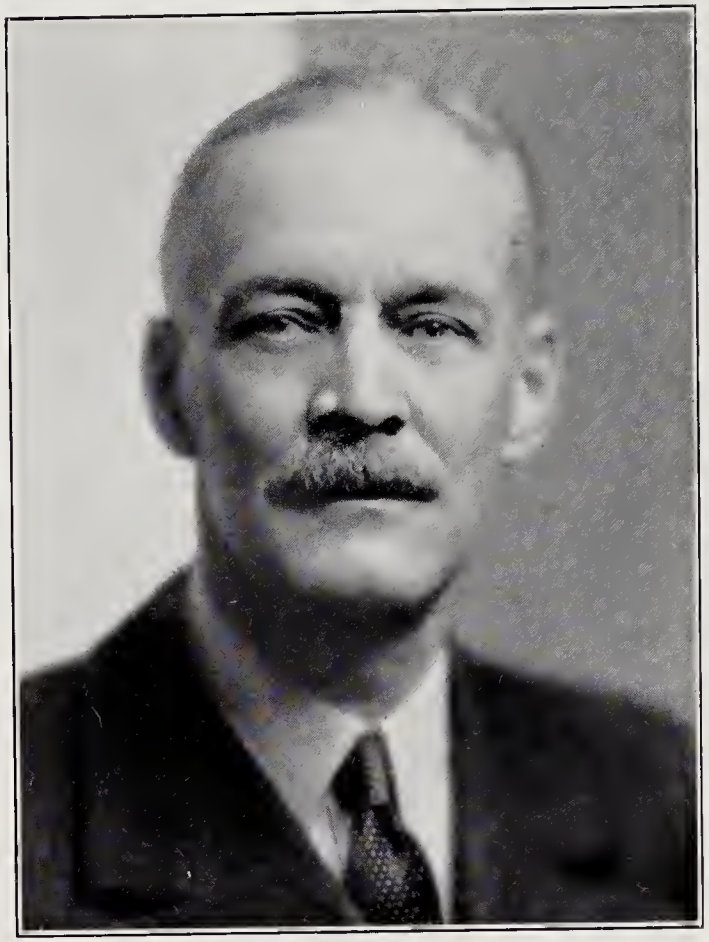
The First Osler Partnership

The formation, in the year of Confederation, of this pioneer firm of stock brokers was an outcome of the failure of the Bank of Upper Canada in which young Mr. Edmund B. Osler held a clerkship. Upon cessation of the Bank's operations he was offered and accepted a partnership with the late Mr. Henry Pellatt. The agreement was signed on the First day of July, 1867.

NOTE.—Material of this article is largely from a sketch in *The Monetary Times* of Jan. 7, 1927.



Sir Edmund Osler
(About 1870)
Founder of Osler and Hammond



F. G. Osler, Esq.
From 1924
Senior Member of the Firm

The firm of Pellatt and Osler continued in existence for some years. Early copies of *The Monetary Times* contain an advertisement, dated August 20, 1868, and signed by Henry Pellatt, Notary Public, and Edmund B. Osler, Official Assignee, intimating that Pellatt and Osler, Stock and Exchange Brokers, Accountants and Agents for the Standard Life Assurance Company, were situated at 68 King Street East, four doors west of Church Street, Toronto.

Later Members of the Firm

In 1882 the firm was divided, Mr. Osler taking as partner the then Cashier of the Bank of Hamilton, Mr. H. C. Hammond. The firm name thus became Osler and Hammond, and has remained so until the present day. The staff at that time consisted of the late Augustus M. Nanton, the late S. B. Sykes, and Percy A. Bath, the first two retaining their connection with the firm for the remainder of their lives. A ledger of that year contains the names of two individuals who were still clients of Osler and Hammond in 1927. It also shows that the office stationery was obtained from the same firm that supplies it to-day.

Mr. Hammond had commenced his financial life in the Quebec Bank. He left that institution to become the first General Manager, then called "Cashier", of the Bank of Hamilton, assuming this position in the year 1872 at the age of twenty-seven. A man of great activity, he displayed remarkable executive ability in the financial operations of the Osler firm.

R. A. Smith, a native of Aberdeenshire, a man of rare financial insight, commenced his business life as railway telegraph operator on one of the Scottish roads. Coming to Canada, and acquiring a knowledge of shorthand, he entered the service of the Northern Railway as a secretary. From there he joined the staff of the Canada North West Land Company and on the removal of that Company's Head Office to Winnipeg, he entered the office of Osler and Hammond in 1884, on the recommendation of the late Mr. W. B. Scarth.

He replaced Mr. Nanton, later Sir Augustus, who, the previous year, had gone to Winnipeg to establish a branch office there under the firm name of Osler, Hammond and Nanton, of which he was the head until his death in 1925. In 1895 Mr. Smith was admitted to partnership.

At this time Mr. F. G. Osler, a son of Sir Edmund, joined the staff, and four years later became a partner in the business. Mr. Hammond, who was widely known and connected with numerous financial and charitable institutions, died in 1909. Mr. Smith died from injuries in an automobile accident in 1912, and in that year Mr. G. T. Chisholm, Mr. H. F. Marriott, and Mr. H. Franks became partners—the latter was elected a member of the Toronto Stock Exchange. Mr. Marriott died in 1933, and Mr. G. S. Osler, a grandson of Sir Edmund, became a partner in 1934; he had been associated with the firm for a few years and had been elected a member of the Stock Exchange in 1929.

Indicative of the pleasant relations which have always existed between the various members of the firm, it is related that from 1883 to 1908, the partners, Sir Edmund Osler and Sir Augustus Nanton, had no written partnership agreement. Neither was there at any time any dispute or misunderstanding as to the proportion of profits each was to obtain, that having been agreed upon merely by word of mouth.

Since the days of its founders every member of the firm commenced in the office as a junior clerk. One present member of the staff has

forty-nine years, another, thirty-eight years, and others, long periods of continuous service to their credit. It is interesting to note here that when first connected with the firm, Sir Augustus Nanton received a salary of twenty-five dollars a month.

Mr. F. Gordon Osler, the present Senior Member of Osler and Hammond, is now President of the Canada Permanent Mortgage Corporation, and of The Canada Permanent Trust Company; Vice-President of The Manufacturers Life Insurance Company; and a Director of The Dominion Bank, The Consolidated Mining and Smelting Company, The Canada North West Land Company, The Canadian Surety Company, Consumers' Gas Company, Consolidated Bakeries of Canada and The Steel Company of Canada. He is also a Governor of the University of Toronto, a Member of the Corporation of Trinity College, and a Trustee of the Royal Ontario Museum and The Toronto General Hospital.

Early Business Transactions

The Osler and Hammond Offices were first in King Street East near Yonge. About 1882 a move was made to 18 King Street West, premises later occupied by *The Toronto Daily Star*. In 1905, another change was made, this time to their present offices at 21 Jordan Street. A description of an incident in the early eighties, while the firm was on King Street East, and when an offering of shares of the Qu'Appelle Land Company had brought such a rush of buyers to the Office, that windows were broken and other damage done, is given in a newspaper clipping of Mar. 28, 1882. It reads:

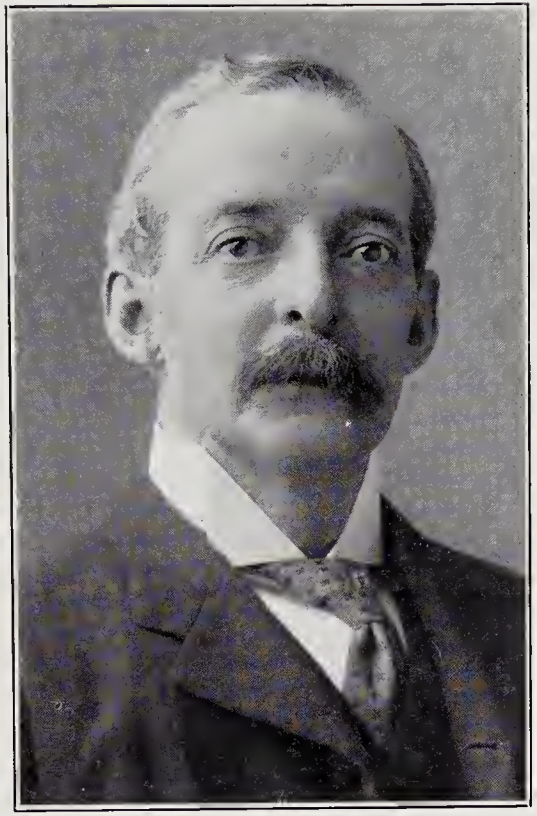
"To-day at noon a scene was witnessed at the Offices of Messrs. Pellatt and Osler rivalling those seen on 'Change. The occasion was the opening of the stock books of the Qu'Appelle Land Company to the public. For some hours before the hour set for the opening of the books, persons eager to invest were in waiting, and long before twelve o'clock the front portions of the Pellatt and Osler's offices were crowded.

"Just as the hands of the clock pointed to noon the cry of 'Time' was raised by the impatient throng. When the doors leading to the rear offices were opened a rush was made, and crash after crash was heard as the glass of the partitions was broken. By the jostling, the crowd strained the woodwork audibly. When the room in the rear was reached a mad charge was made at the desk where the clerks were in readiness to receive subscriptions. All seemed to lose their senses simultaneously, and each strove to be first to register his name.

"The crowd jumped upon the chairs and counter and forced themselves behind and to the side and rear of those who strove, but in vain, to receive the names. The excited crowd surged back and forth amid deafening shouts and cries. Those behind cried 'Forward', and those in front cried 'Back'. As the men upon the counter attempted to force their way forward the woodwork was wrenched and appeared each moment as if it would collapse. If such had happened some would certainly have been injured. Those in the rear now cried 'Postpone, postpone'.

"At length it was found necessary to call in a policeman, who, when he did arrive, was as powerless to control the madmen as a child. As each fortunate—or rather unfortunate—investor managed by the use of his elbows and muscle to get to the stock-book, others would seize him by the shoulders, arms, and neck, until the shout would be raised, 'You Are Choking The Man!'—when those behind would for a moment, and only for a moment, give their victim an opportunity to breathe. If he

R. A. Smith, Esq.
Partner
Osler and Hammond
1895—1912



H. C. Hammond, Esq.
Partner
Osler and Hammond
1882—1909

Sir Augustus Nanton
Head of
Osler, Hammond and Nanton
Winnipeg, 1883—1925

again attempted to register his name he would—now perspiring at every pore—be seized and dragged away, every one clutching at the paper. Before long the paper was in a deplorably tattered condition.

"As people had got right on top of the desks, attempts were made to hold the subscription list together and in position long enough to enable a name to be written against the wall, but this also was found to be impossible, the crowd all the time shouting, and the chairs, counters, desks, and framed pictures on the wall being fast wrecked. It was at last found impossible to go on with the business in hand, and the announcement of a postponement was made. The assemblage reluctantly withdrew, but not until the people were almost forced out by additional policemen, who had now arrived, and by the clerks of the establishment."

Progressive Development

In the early days of the Osler firm business was conducted on a somewhat limited scale. Toronto City Gas, the Canada Permanent Building Society, as well as a few other stocks, were traded in. One of the most important early transactions was in 1869 when the firm undertook to secure subscriptions to the $400,000 capital stock of the then newly formed Dominion Bank. If unsuccessful, no commission was to be paid; otherwise the remuneration was to be $2,000 in cash and $2,000 in stock of the new bank.

Since the opening of the institution, the business of the Osler firm has been done with the Dominion Bank of which Sir Edmund became a Director and, later, President.

One of the first private wires to Toronto ran into the office of Osler and Hammond. It came direct from Laidlaw and Company of New York, correspondents of Osler and Hammond continuously ever since—many millions of dollars worth of transactions having gone over the wire during that period.

In addition to his own firm and the Dominion Bank, Sir Edmund's financial interests were numerous: he was a Director of The Consolidated Mining and Smelting Company; a Trustee of the Mackay Companies, and was active in forming the North of Scotland Canadian Mortgage Company with Head Offices in Aberdeen, Scotland, the Osler firm becoming its General Managers for Canada. Later, the Company's Canadian Office was removed to Winnipeg.

A Railway Builder

Extensively interested in railway development Sir Edmund Osler's contribution to the upbuilding of the Dominion was substantial. Transportation interests fostered by the Osler firm included the old Credit Valley, the Toronto, Grey and Bruce, and the Ontario and Quebec Railways, Sir Edmund becoming President of the last-mentioned Company. All these lines were later absorbed by the Canadian Pacific Railway Company, the Directorate of which Sir Edmund joined. The firm of Osler and Hammond undertook the construction of the Niagara Falls Park and River Railway, an electric road running from Queenston to Chippewa, built under the supervision of W. T. Jennings, one-time Toronto City Engineer. This road was taken over, later, by the International system which embraced the Gorge and Buffalo lines. The Osler firm acquired the Toronto Ferry Service now operated by the City, or rather by the Toronto Transportation Commission.

The Toronto Stock Exchange

Sir Edmund Osler was instrumental in the organization of the Toronto Stock Exchange, and was a charter member. From its inception, members of the firm of Osler and Hammond have been on the Exchange; no fewer than four have been Presidents. Mr. F. G. Osler occupied that position when the new Exchange building—since replaced (1936) by the present structure—was erected and opened in 1913. Mr. H. Franks was President of the Toronto Stock Exchange when it was amalgamated with the Standard Stock Exchange in 1934 and was first President of the Amalgamated Exchanges; Mr. R. A. Smith had been President in 1902; and Mr. Hammond, in 1887.

As far back as 1861 meetings of the Exchange were held in the Masonic Hall, Toronto Street, with an average attendance of five, and the value of the seats was placed at five dollars each. In 1878 the Stock Exchange was incorporated, with 21 charter members. In 1886, eight years later, the Exchange moved to the north-west corner of King and Victoria Streets, the office now occupied by the National Trust Company, Limited. In 1900 the value of the seats had jumped to $4,000, and the Exchange was moved to the National Trust Company building, 20 King Street East.

In 1920 a membership on the Montreal Stock Exchange was purchased by Osler and Hammond—the first Toronto firm to take this step.

The Great War

When the Great War broke out, the firm of Osler and Hammond were not slow in responding to the nation's call. Half of the Toronto office staff, and thirty-two from the Winnipeg office were in khaki. Colonel Chisholm and Captain Franks went overseas, and Lieutenant Frank Smith, a son of Mr. R. A. Smith, one of the staff, was a prisoner of war in Germany from 1915 to 1918. Mr. Osler and Mr. Lynch of the Winnipeg office were also on active service.

Recent Activities of Osler and Hammond

They sponsored the introduction of trading in the stock of INTERNATIONAL PETROLEUM AND BRITISH AMERICAN OIL on the Toronto Stock Exchange.

They underwrote the shares of CONSOLIDATED BAKERIES OF CANADA.

They, with others, underwrote the shares of HIRAM WALKER.

THE
CANADA LIFE ASSURANCE COMPANY

NINETY-TWO YEARS OF PROGRESS
1847—1939

INSURANCE IN FORCE: OVER $800,000,000

Canada's First Life Insurance Company

Twenty years older than the Dominion itself, The Canada Life Assurance Company bears the distinction of being the oldest Canadian life insurance company.

What began as an ambitious undertaking in a small, musty, thoroughly unimpressive office in Hamilton back in 1847, has now developed into an international organization whose policyholders own well over $800 millions of insurance. To this "clearing house" for investment, these policyholders have entrusted savings of over $259 millions.

First President of The Canada Life Assurance Company and first name in Canadian life insurance history, was Hugh C. Baker. The story leading up to his appointment is an interesting one: how, as a young man still in his twenties, he applied for insurance with one of the few "outside" companies which wrote business in Upper Canada; how he was obliged to make a long, tedious journey to New York, on horseback and by stage coach and river boat, to complete requirements; and how he reasoned that if would-be policyholders were willing to so inconvenience themselves a good market should be available for a Canadian organization.

The outcome of that reasoning is detailed in a small, plain *memorandum* book—one of those bound in marbleized board and tied, perhaps not without significance, with red tape—which has grown yellow in the vaults of The Canada Life. One of the early entries concerns a meeting in November, 1847, when Mr. Baker, as first President of Canada's first life insurance company, signed the Company's first policy. And to make the story complete, the policy was on his own life.

Early Problems of the Company

Those early days presented hard sledding. True, The Canada Life was modelled after the conservative old British companies. And seven companies had recently begun operations in the United States. But problems peculiar to this country had to be faced and overcome. There was no previous experience on which the Directors could base their decisions. Little wonder that the first Annual Report states that "the practice of life insurance was but little understood among us, while its governing principles were still less generally understood."

Thus it was that when the Company first went to the Legislature to obtain a charter, the application was refused, one witty Member remarking that the only capital the petitioners had was their "assurance". And so the Company operated without a charter for about a year and a half. Apparently during that time it operated much along the lines of under-

writers at Lloyd's of London. Policies provided that "the stockholders shall not be liable beyond the several amounts mentioned in the endorsement hereon".

The difficulty of educating the public insurance-wise may be appreciated when it is realized that in those days there were only a few struggling newspapers in all Canada; means of communication were exceedingly scant; stage coaches were the only means of transportation in settled districts; farmers still had to carry their grain in sacks on horseback to the mill. Postage stamps had not been introduced. There was no telephonic communication, only the beginning of a railroad, and no ocean steamers had made their way up the St. Lawrence to Quebec. It was seemingly impossible for new ideas to make headway.

Maximum Risk of £1,000 Until 1850

Obviously, one of the chief considerations back in the forties and fifties was selection of risks. Until 1850, no matter how desirable, no risk for more than £1,000 was accepted. The maximum was then raised to £1,500. President Baker himself was granted only half of his £1,000 application. Once granted, the policy was still hedged with safeguards. "Death in consequence of a duel" would void a policy; as would travel anywhere outside "Europe, British North America or United States". Further, if the assured should "abandon himself to the use of fermented liquors to such a degree as shall render him an habitual or confirmed drunkard", the Company had the right to recall the contract, paying the assured a fixed cash settlement.

Expansion and Growth of Business

The Company expanded westward in 1878 when the first policy on a resident of Manitoba was issued. Business was begun in Saskatchewan, Alberta and British Columbia five years later. The first western agency covered the northwestern portion of Ontario and stretched on westward to the Pacific Coast. In those days western business and travelling alike were slow and difficult. The largest city of the West, Winnipeg, had a population of about 4,000. The Company's first western representative recalls that in 1886 "the only three towns on the Saskatchewan River were Edmonton, Battleford and Prince Albert."

Another expansion move was to the United States in 1889—the first Canadian life company to take this important step. Since that time, The Canada Life has built up a large organization there. The Company entered the British field in 1903, initiating an organization which to-day plays a very important part in the Company's success.

Progress made by the Company has been steady. At the time of Confederation assets amounted to $856,408 and business in force to $4.5 millions. In 1918, at the end of the Great War, these figures had risen to $65.9 millions and $195.9 millions respectively. And since that time the Company has shown its greatest growth. At the end of 1937 policyholders owned more than $800 millions of insurance with The Canada Life.

Throughout its long history the Company has adhered to a policy of absolute security and of fair dealing. Administered by men who rank high among financial and business leaders, that policy has established a reputation of which the Canada Life may be justifiably proud.

SUN LIFE ASSURANCE COMPANY OF CANADA

FOUNDED IN 1865

Origin

The charter of this world-known Company was granted in 1865, the first policy being written in 1871. From that time its history has been one of almost continuous expansion until it has attained its present stage of development.

The inception of the Company was sponsored by some of the most distinguished merchants and leading men of business in Montreal. Mr. Mathew Hamilton Gault, the founder, was for many years a Member of Parliament. He was also closely connected with the insurance world and had many other business associations which made his services invaluable. Associated with him in this new venture was George Stephen, later to become Lord Mount Stephen, President of the Bank of Montreal and one of the builders of the Canadian Pacific Railway. Mr. A. W. Ogilvie, the great miller, Member of Parliament, and later a Senator, was another eminent man of the period who assisted in the foundation of this concern. Intense patriots and devoted Canadians, these men were prominent alike in the public and commercial life of the Dominion. The tradition of service to the subscribers, which was their conception, has been scrupulously maintained by their successors, and has had much to do with the outstanding success of this Company.

Development

The Dominion Insurance Act of 1868 imposed obligations on foreign life companies with which the Mutual Life of New York, which Mr. Gault then represented, felt it was impossible to comply, and the decision was taken to withdraw from the Canadian field. It was this action which prompted Mr. Gault to apply for his charter to be amended, the powers being limited to life and accident assurance and the name changed to the Sun Mutual Life Insurance Company of Montreal. Under this style the Company conducted its operations until 1882, when a further amendment changed the title to that of the Sun Life Assurance Company of Canada, as at the present day. It was a fortunate omen which selected the name "Sun" for a company whose connections have since become so nearly universal.

Early Operations

The initial operations of this Company had to be undertaken in the face of a considerable amount of competition. Hitherto the British and United States companies had found in Canada a fruitful field for fresh business. In 1870, the only native institution was The Canada Life. The advent of the Sun Life, however, was vigorous and powerful and although the financial stringency and the business depression of the early 70's added to the perplexities created by the formidable rivalry of the established institutions, hard work and continual application enabled the Company to win through. At the end of 1872, 417 applications for assurances totalling $727,350 had been accepted, and no claims had yet been made. Within a few years the annual business had reached the million dollar mark.

Organization

Following up the successes within the Dominion, the first overseas agency was opened in Barbados in 1879. From this date the history is simply one of regular growth leading up to that epochal year of 1891 when the Sun Life of Canada instituted the stupendous pioneering programme that was destined to carry the message of life insurance into the far corners of the earth. Business possibilities, health condition, and mortality experiences in all parts of the world were investigated, and the first branch to be opened was that of the West Indies in 1891, a territory previously covered by agency service only. In that same year the Company sent out an emissary to Yokohama, China, Straits Settlements, India, Ceylon, appointing agents at Singapore, Colombo, and Bombay. He completed his round-the-world trip via Egypt and Jerusalem where another agent was appointed. The emissary returned to Montreal by way of the Mediterranean and England, thus ending a journey which for those early days was one of great magnitude, requiring initiative and courage analogous in many respects to that of the great travellers and discoverers associated with the more spectacular records of our world. While this journey was going on, other explorers were sent out from Montreal. Nicaragua, Peru, Equador, Chile—the name of the Sun Life of Canada spread southwards until it reached Puntas Arenas on the very Straits of Magellan, the most southerly town in the world. In 1893, an office was opened in London, followed two years later by the greatest venture of all, the entry into the United States; greatest, because the Sun Life of Canada had entered a field where already the most famous life companies of the world were thoroughly established and had secured undisputed leadership. Thus in 1895, in the State of Michigan, the Sun Life planted its banner on the friendly soil of its neighbour country. To-day the Company does business in forty States with a highly efficient staff and agency force, and in a manner worthy of the fine traditions so long associated with life insurance operations everywhere. The present extent of this unique organization can be better appreciated by a few brief statistics. To-day there are one hundred and forty branches doing business in different parts of the world. For the purpose of supervision these are divided into separate territorial groups covering thirty-nine countries. The Branch Office personnel totals over 1,200 together with nearly 5,000 agents under contract who are engaged by the branch managers concerned. The territories are covered by Supervisors from Head Office who visit their particular branch groups periodically. Supervisors, in many instances, are frequently absent from Headquarters as long as six or seven months at a time when visiting remote districts. They are for the most part familiar with the languages of the countries they visit. Sales literature is printed in four languages (English, French, Spanish and Japanese), but frequently, where another language is dominant, local translations are made.

Policies

The business of the Company is in life insurance and annuities only. It issues a wide variety of insurance and annuity plans and consequently is able to supply a policy that will fit the circumstances of any individual applicant. It also writes a considerable volume of insurance and annuity business on the group plan. Many years ago the Company introduced and still adheres to the principle of the "unconditional" policy contract; that is, a policy free from the multitudinous minor restrictions which were once the usual features of insurance.

Financial Standing

The assets of the Company, which are in excess of $875,000,000, are invested under Government supervision. Apart from the Company's own buildings, the securities consist of Government and municipal bonds, mortgages on real estate, shares in public utility companies and other first-class industrial companies, loans on the Company's own policies within the surrender values, etc.

Government Supervision

The Company operates under the supervision of the Insurance Laws of many countries and states. For example, under the Insurance Act of the Dominion of Canada periodically the Government examiners audit the Company's accounts, check every individual security held, and insist on a sufficient reserve, according to its maturity, being credited to each one of the Company's policies.

Control

The Directorate of the Company is elected partly by the shareholders and partly by the policyholders. All participating policyholders who are insured for $2,000 or more are entitled by law to vote for their own directors at the General Meetings of the Company.

DIRECTORS

SIR EDWARD W. BEATTY	MR. E. A. MACNUTT	HON. L. A. TASCHEREAU
MR. W. M. BIRKS	MR. ROSS H. McMASTER	MR. JOHN A. TORY
HON. RAOUL DANDURAND	MR. ARTHUR B. PURVIS	HON. LORNE C. WEBSTER
SIR HERBERT S. HOLT	MR. CARL RIORDON	MR. MORRIS W. WILSON
MR. T. B. MACAULAY	MR. JOHN W. ROSS	MR. ARTHUR B. WOOD

EXECUTIVE OFFICERS

MR. ARTHUR B. WOOD, F.I.A., F.A.S. ..... President and Managing Director
MR. E. A. MACNUTT ..... Vice-President and Treasurer
MR. C. S. V. BRANCH ..... Second Vice-President
MR. G. W. BOURKE, F.I.A., F.A.S. ..... Actuary
MR. F. J. CUNNINGHAM, F.A.S. ..... Secretary
MR. E. E. DUCKWORTH ..... Comptroller
MR. W. S. PENNY ..... Director of Agencies
MR. H. P. THORNHILL ..... Joint Treasurer

(CORRECTED TO 1/1/39)

CONFEDERATION LIFE ASSOCIATION

BUSINESS IN FORCE OVER $398,000,000

FOUNDED IN 1871

J. K. Macdonald (1837-1928), Founder of the Association

Born just four years after the passage of the British North America Act, the progress of the Confederation Life Association has been linked closely with the development of the Dominion of Canada. This strong Canadian life insurance company, which enjoys international prestige through its operation in 23 countries, was founded at Toronto in 1871. Although nine insurance companies were then supplying Canadian needs, only two were Canadian in character and origin.

The late J. K. Macdonald, born in Edinburgh in 1837, founded the Association and guided its destiny until his death at Toronto in 1928, when he was then more than 90 years of age. His entire business life, after 1871, was devoted to the Association, although he found time to organize or direct numerous educational, charitable, and church activities. For forty years a member of the General Assembly of the Presbyterian Church in Canada, he was the only layman whose name was ever proposed for Moderator. He was President of the Children's Aid Society for 28 years, Treasurer of York County for 53 years, President of both the Ontario Lord's Day Alliance and the Provincial Sabbath School Association, as well as being one of the ten founders of Toronto Y.M.C.A. He was an organizer of St. Andrew's College and Chairman of the Board of Governors, Chairman of the Board of Knox College and a Trustee of Queen's University.

"The Grand Old Man", as he was affectionately known, left capable successors to carry on the Macdonald name in all its proud tradition in his son, C. S. Macdonald, President of Confederation Life, and his grandson, J. K. Macdonald, Executive Secretary.

From the birth of the Company up to the present, the men at the helm of Confederation Life have been outstanding in Canadian financial and public life. The first President was Sir Francis Hincks, a Prime Minister of Canada before Confederation, and later, Minister of Finance in the Dominion Cabinet. The second President, Sir W. P. Howland, twice held the post of Minister of Finance for Canada. One of the first Vice-Presidents, the Hon. William McMaster was founder and President of the Canadian Bank of Commerce.

Substantial Development

Progress of the Confederation Life Association has been sound and substantial. The first year's business amounted to $1,838,000. In 1910, new business of $7,000,000 was written; in 1920, this figure had increased to more than $34,000,000, while in 1936, new business production amounted to more than $47,000,000. The business in force exceeds $398,000,000.

Assets have shown a similar increase. In 1872, they were $101,000; in 1892, more than $4,000,000; nearly $9,000,000 in 1902; and the $40,000,000

mark was passed in 1924. In 1930, the assets aggregated $65,000,000 but, during the next seven years, even this impressive figure increased over 70 per cent., the total assets passing the $110,000,000 mark in 1936.

In conformity with the Association's well-known conservative investment policy, it is noted that the total assets, as at December 31st, 1936, were taken into the accounts at a value of approximately $4,000,000 less than the values as ascertained by the Department of Insurance of the Dominion of Canada. Over 62 per cent. of the Association's assets are invested in high-grade, widely diversified bonds, and over 12 per cent. in city and farm mortgages.

The Association also offers a wide range of group coverage, including Group Life, Group Sickness and Accident, Group Accidental Death and Dismemberment, Group Hospitalization and Group Retirement Annuities. The Association, at the end of 1936, has over $31,000,000 of Group insurance in force and is responsible for the administration of Group Pension schemes guaranteeing yearly pensions to employees of almost $2,000,000 a year. This end of the Association's business is growing steadily.

Operations

In addition to 38 branch offices in Canada, the Association has extensive connections abroad. In the United Kingdom there are 18 branch offices, with a chief office located in Bush House, Aldwych, London, W.C. 2. The Association is also established in British Honduras, China, Cuba, Curacao, Dominican Republic, Egypt, Guatemala, Hawaii, Hongkong, Jamaica, Mexico, Newfoundland, Panama Canal Zone, Puerto Rico, Salvador, Straits Settlements and Trinidad.

Rich in the wisdom of its sixty-six years of experience, conservative as befits its trusteeship of hundreds of millions of dollars of policyholders' funds, solid in the strength of assets, progressive as a world-wide organization must be—the Confederation Life is not only one of Canada's oldest and strongest life insurance companies, but it also occupies front rank among the world's great life insurance institutions.

The President of the Confederation Life Association is Charles S. Macdonald, M.A., son of the late J. K. Macdonald, referred to previously as foremost amongst those who founded the Association. Other officers are: Vice-Presidents, R. S. Waldie and Col. J. F. Michie; General Manager, V. R. Smith, A.I.A., A.A.S., F.A.I.A.; General Superintendent of Agencies, C. D. Devlin; Actuary, J. H. Birkenshaw, F.A.S., A.A.I.A., and Associate Actuary, B. T. Holmes, A.I.A., F.A.S., F.A.I.A.

The Board of Directors consists of the President, Vice-Presidents and the General Manager, and John Firstbrook, James E. Ganong, W. C. Laidlaw, Arthur F. White, P. A. Thomson, Arnold C. Matthews, F. Grenville Rolph and R. V. LeSueur.

HEAD OFFICE

12 RICHMOND STREET EAST - - TORONTO 2

Cables—Head Office: "Confedlife"; London Office: "Icta"

THE

IMPERIAL LIFE ASSURANCE COMPANY

OF CANADA

FORTY YEARS OF PROGRESS

1897—1937

The Imperial Life Assurance Company of Canada was incorporated in 1897 by the Dominion of Canada and its operations are subject to the conservative laws of the Dominion.

The subscribed capital of the Company is $1,000,000, all of which is paid-up. The amount of this paid-up capital, together with the shareholders' surplus, constitutes an important safety fund, which is always available for the protection of Imperial Life policyholders.

The Company transacts business throughout Canada, Great Britain, Newfoundland, California, West Indies, Cuba and Central America.

The Imperial Life is in the unusual position of never having had an impairment of Capital, and although maintaining its Policy Reserves on an exceptionally stringent basis it has accumulated a Net Surplus over its Total Liabilities of considerably over $5,000,000.00.

The Company's Board of Directors is composed of some of the most successful business men in Canada. For instance, the Chairman of the Board of the Bank of Nova Scotia, the President of the Canadian Bank of Commerce and the Directors of two other Canadian chartered banks are members of the Imperial Life Board.

The Government deposit maintained by The Imperial Life for the protection of its policyholders is almost five times that required by the Dominion Insurance Act.

The Imperial Life was the sixteenth Canadian company to enter the life insurance field. In the intervening forty years it has overtaken and passed eight of its competitors, so that there are now only seven other Canadian companies that have as large an amount of insurance in force.

The Imperial Life since its inception has paid in profits to policyholders over twice as large an amount as the total paid by the sixteen other existing companies incorporated in Canada during the past forty-five years.

HEAD OFFICE

20 VICTORIA ST., TORONTO, ONT.

BRANCHES AND AGENTS IN ALL IMPORTANT CENTRES

SPECIAL SKETCHES
SUPPLEMENT

A 4,000-MILE FLIGHT THROUGH NORTHWESTERN CANADA

BY

Charles Camsell, C.M.G., LL.D.
Deputy Minister of Mines

Purposes of the Expedition

The aerial flight of some 4,000 miles which commenced at Prince Rupert in British Columbia and took me through the northern part of that Province, south-eastern Yukon, Mackenzie River district, and which ended at Edmonton, Alberta, was undertaken during August, 1935, for the following purposes:

(1) Inspecting several geological parties.

(2) Investigating a number of matters on behalf of the Administrative Council of the Northwest Territories, of which I have been a member for some fifteen years.

(3) Observing and photographing from the air a large area of unknown country in northern British Columbia and south-eastern Yukon in order that the large-scale relief map of Canada being constructed by the Geological Survey, Canada, might be added to, and a definite conclusion reached as to the northern extremity of the Rocky Mountains, about latitude 60°N.

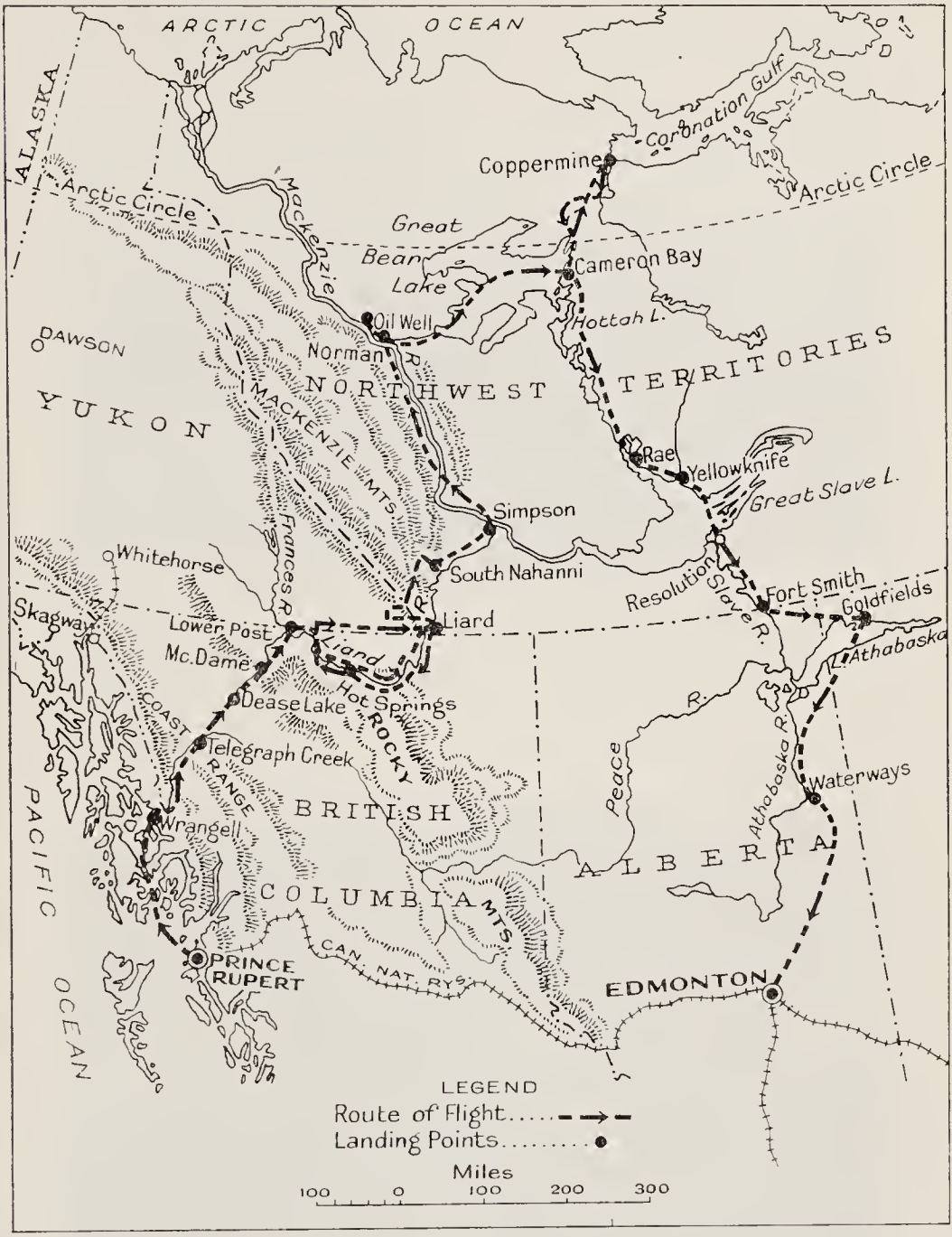
(4) Examining the so-called "Tropical Valley" in northern British Columbia.

Preparatory Arrangements

The plans for the flight were made in co-operation with the Civil Aviation Branch of the Department of National Defence and were carried out by Canadian Airways, Limited, which was assigned the contract to provide the aeroplane, fuel, and the crew. The party consisted of: C. H. Dickens, O.B.E., Pilot; W. Sunderland, photographer and mechanic; A. D. McLean, Superintendent of the Civil Aviation Branch of the Department of National Defence, and myself. The plane, a single engine Fairchild 71, weighing with full load some 6,000 pounds, had a range of 500 to 600 miles and was equipped with a radio set and an aerial camera.

We planned to reduce the element of risk as much as we could by securing, whenever possible, weather reports by radio before starting out from one point to the next, and in order to avoid having to camp out at night we intended to make use of the fur-trading posts, wherever possible.

Everything turned out as we had arranged, and, except for delays through bad weather at Fort Norman, Cameron Bay, and Fort Smith, and indifferent photographic weather north of Liard River, the flight was entirely successful. I should add here that the hospitality accorded to us at the posts was so generous as to be at times embarrassing, particularly so at such posts as McDame Creek, Fort Liard, and Coppermine which are away from the regular routes of aeroplane travel.



Map of Aerial Expedition

Undertaken in 1935

By Charles Camsell, C.M.G., LL.D.
Deputy Minister of Mines

Course of Flight

On leaving Prince Rupert we stopped over night at Wrangell in Alaska, and the next day, following Stikine River, we passed Telegraph Creek, and shortly afterwards directed our course over the Pacific-Arctic Divide to Dease Lake, one of the headwaters of Liard River.

We then followed Dease River to its junction with the Liard, from which point down to Fort Liard on the eastern side of the mountains we took, every minute and a quarter, at an elevation of 2,500 feet, a steep-angle, oblique photograph of the immediate valley of the River and of Grand Canyon in particular, which extends for 40 miles from the Devil's Gorge to Hell's Gate.

From Fort Liard we returned west almost to Dease River, and at a height of 10,000 feet photographed two east-west strips of the unknown territory north of Liard River at the northern end of the Rocky Mountains. A landing was made in the so-called "Tropical Valley" at some hot springs near Devil's Gorge. The next day we made another flight northwest from Fort Liard through this unmapped area towards the headwaters of Beaver River and came out at the hot springs about 20 miles up South Nahanni River.

Having fulfilled, so far as was practicable, the object of this part of our journey, we flew down the Liard to Fort Simpson, thence to Fort Norman, where we visited the oil wells which supply fuel for river boats as well as the mining operations at Great Bear Lake. After a delay of four days at Fort Norman on account of the weather we flew east across Great Bear Lake to Cameron Bay and spent two days examining the silver-pitchblende properties there. A trip was then made to the Arctic coast at the mouth of Coppermine River where we reached our most northerly point at latitude 68°, a degree and a half inside the Arctic Circle. Here we were hospitably received by the half dozen white residents and a group of Eskimos.

Striking south we stopped at Rae to visit geological parties and then went on to Fort Smith where we turned east to Goldfields on Athabaska Lake. At this point we saw the new mining developments and visited a group of geological parties, after which we continued our flight to McMurray and then to Edmonton, which we reached on Aug. 17.

Comments

(a) In the course of our journey from the mouth of Stikine River to the Pacific-Arctic Divide near the south end of Dease Lake, a distance of about 200 miles, we passed over the rugged Coast Range, which is noteworthy for its sharp, snow-covered peaks from which numerous glaciers flow down, in some cases almost to the banks of the River. This mountainous region is characterized by heavy precipitation. To the east, near the mouth of Clearwater River, weather conditions improve and the topography changes to that of a high and well-wooded plateau, to which I shall refer later.

(b) The critical, though most interesting, part of the flight, from the standpoint of both aerial navigation and geography, was that between Wrangell on the Pacific coast and Fort Liard on the western edge of the Great Plains, a distance of some 700 miles. For, though planes not uncommonly enter the upper Liard country from the west and the lower Liard from the east, I could not find any record of a single direct flight over the whole width of the Cordillera in this region. There are very few travellers alive who have made this crossing by the land and water route.

Group at Fort Hearne, Coronation Gulf

The Aeroplane Party
Left to right: W. Sunderland, C. H. Dickens, O.B.E.,
A. D. McLean, Charles Camsell, C.M.G.

(c) The divide at Dease Lake is only about 2,600 feet above sea-level, and, therefore, it is 1,000 feet lower than Yellowhead Pass or 1,700 feet lower than Kicking Horse Pass. Dease Lake itself is 2,500 feet above sea-level and its waters flow by way of Dease and Liard Rivers to the Mackenzie and thence to the Arctic Ocean. At Fort Liard the altitude is estimated to be about 500 feet, and so the total fall in the River from Dease Lake to that point is about 2,000 feet. This means a very steep gradient for a stream as large as the Liard, which, consequently, is a difficult and treacherous course to follow by boat. There have been few, if any, travellers along it during the last thirty-five years. The rapids and canyons where it cuts through the mountains between Smith and Fort Nelson Rivers constitute a real barrier to communication between the Cassiar country and the Mackenzie Valley. Even the natives rarely, if ever, make the crossing. The people of the Cassiar do not know the Mackenzie River people and there are no trade or other relations between them. To travel by canoe from the one region to the other would necessitate many days of hazardous navigation. Moreover, between the mouth of the Dease and the mouth of the Fort Nelson, a distance of about 300 miles, there are no trading posts or other settlements, and one might make the entire journey without meeting a soul. In our flight we made the distance from Dease Lake to Fort Liard in four and three-quarter hours.

Previous Exploration of the Region

The Yukon, which is the northwestern component of the Dominion, was once partly under Russia's influence. As early as 1741 it had been penetrated from the Pacific by Russians, and in 1799 the control of what their Emperor, Paul, regarded as his share of the American Continent was vested in the Russia Fur Company. One hundred years ago a trading post was established by this Company where now stands the town of Wrangell. No effort was made, however, to extend trade into the interior until the placer miners who had joined in the Cariboo gold rush of 1860 began to enter the country.

One hundred years ago, too, the upper waters of Liard River were reached from the Mackenzie by officers of the Hudson's Bay Company. They discovered and named Dease Lake and explored some of the branches of Liard River. Shortly afterwards posts were established at Halkett, Frances Lake, and Dease Lake, and for about thirty years Liard River was used as a trade route to the Yukon. However, the perils of navigation and the difficulty of securing voyageurs even at double pay made the trade unprofitable and the last of the posts was abandoned in 1865. The connection between Mackenzie River and the upper Liard has never since been re-established as a trade route.

From the time of the withdrawal of the traders until the discovery of placer gold in the Cassiar in 1872, the whole country seems to have been forgotten. Though miners entered from the east it was soon found that it was easier, though still very difficult, to make connections with the outside world by way of the Stikine. This has since been the medium of entry into the Cassiar, where mining is still the principal industry, although the production of gold has at no time been very large.

The most important explorations of the country have been made under the auspices of the Geological Survey, the expeditions of G. M. Dawson and R. G. McConnell in 1887 being particularly noteworthy. Dawson's route to the Yukon took him through the country by way of Stikine, Dease, and Frances Rivers, and McConnell followed the same route as

far as the mouth of the Dease but turned there down the Liard to the Mackenzie. Their surveys still constitute the most important contribution to the geology and geography of the territory we are considering. In view of the time and the circumstances in which the exploration was made, I have always considered McConnell's expedition to be one of the most remarkable ever made by an officer of the Geological Survey. From the time he left the Pacific at Fort Wrangell on Apr. 22, 1887, until his return there on Oct. 1, 1888, he covered 4,000 miles—3,000 by water and 1,000 on foot. Sufficient credit has never been given to him for having overcome the difficulties and dangers of traversing about 500 miles of Liard River. The journey was made in a home-made boat with two men, at a season of the year when the water was high and travelling was considered to be very unsafe, in fact, almost impossible. Mr. McConnell's survey of the River is still the one that stands on the map of Canada.

There have been, no doubt, several other travellers, trappers, or prospectors to make the traverse of Liard River between the Cassiar and the Mackenzie, but not one has left any written record. In 1897-98 I travelled the whole length of Liard River to Frances Lake and in August, 1899, I made the distance between Dease Lake and the Mackenzie by canoe. During that Winter of 1897-98 I was one of that great army of men coming from all corners of the globe and travelling by a variety of routes from Edmonton, Ashcroft, Vancouver, and Seattle to the Klondike gold fields. But few of these gold seekers ever kept or published records of their explorations; I certainly kept none.

In those early days I covered the section of my recent flight between Wrangell and Simpson in various ways. From Simpson I travelled with my companions up Liard River by boat for about 300 miles, almost to Toad River, where, halted by ice, we were forced to build a cabin and make preparations to continue our journey on the ice. As soon as the River was fit for the purpose we proceeded on snow-shoes, dragging a toboggan which contained our supplies and equipment. Our daily procedure was to draw a load up the River for about 10 miles, leave it there, and then return to camp. We continued in this fashion for seven or eight days, by which time we had moved all our material except the camp. Then, on the last day we moved the camp 20 miles, and from that point again began to bring the whole outfit forward another 10 miles. By this means we eventually passed through the Devil's Gorge in January and reached the hot springs, where we camped for nearly two weeks. By the time Spring had arrived we were on Frances Lake.

Between the mouth of Dease River and Telegraph Creek, a stretch of 250 miles, I have tramped in Summer with a pack on my back, and I covered the distance between Telegraph Creek and Wrangell several times during the Winter of 1898-99 when I had the honour of carrying Her Majesty's mail, making the round trip once a month.

My recent flight contrasts strangely with these earlier travels, and I naturally derived much pleasure riding at ease in a plane over hundreds of miles of territory, which I had once struggled over in discomfort, and gazing upon scenes that recalled amusing or tragic incidents of thirty-five or more years ago. With the exception of the unknown territory north of Liard River I had travelled over practically every foot of the way on snow-shoes or by canoe. I took years to do it, however, whereas on this flight I made the journey in seventeen days (from Aug. 1 to Aug. 17), included in which were six days when we could not travel because of bad weather.

Observations and Results

In our flight across the mountains from the Pacific to the Great Plains, the most important results we obtained were of a geographical nature. Airplane photographs were taken at critical points in the Coast Range and in the interior plateau region as far as the junction of Dease and Liard Rivers. From that point to Fort Liard on the eastern side of the mountains a continuous set of photographs was taken of the immediate valley of the River and of a large part of the region lying north of the River.

These photographs and observations show that the section across the Cordillera along the route we took is physiographically very different from that anywhere in the region extending south to the International Boundary. True, there is, bordering the Pacific, the same belt of high, rugged, glacier-clad mountains, known as the Coast Range, which has a width along the Stikine River of about 80 miles. But, east of this Coast Range, a great plateau country with rounded summits reaching a height of 4,000 feet may be followed north-easterly to the Cassiar Range, which has a width of 50 miles and crosses Dease River on a north-westerly strike between Canyon Creek and Rapid River. Beyond this range, too, another plateau extends eastward, right through to the Great Plains region, between the extreme north of the Rocky Mountains and the southern end of Mackenzie Mountains. These two groups of mountains do not lie in tandem; they lie in the same north-north-westerly strike, but Mackenzie Mountains are offset by a gap that centres about the mouth of Fort Nelson River and opens out to the south-east.

The Cassiar Range, so named by Dr. G. M. Dawson, is apparently a prolongation of what is called on more recent maps the Stikine Mountains, a great group of mountains forming the divide between the watershed of the Stikine and that of Finlay and Turnagain Rivers on the east. North-west of Dease River the Cassiar Range seems to pass gradually into a high plateau that separates the waters of the upper Liard from those that flow into the Teslin and thence into the Yukon.

The plateau east of the Cassiar Range is characterized by a fairly even skyline and by mature, rounded summits which seldom rise above the forest line. Some of it is almost flat. Timber is general and is quite thick in the broad and flaring valleys of the streams that flow through the plateau. These streams and especially the Beaver River, about halfway up its course, remind one of a prairie stream as it meanders through a broad, wooded valley. In certain parts of this plateau there are many lakes, notably in the country east of Coal River, but farther east, towards Mackenzie Mountains, lakes are rarely seen.

The streams traversing the plateau north of Liard River, such as Labiche, Beaver, Smith, and Coal Rivers, are incorrectly indicated on existing maps. Beaver River in particular is very much out of position, the source of its westerly branch being actually about a degree and a half west of the position now given to it on published maps. In fact, this whole plateau is but a part of a great unknown area thousands of square miles in extent, lying north of the Liard and stretching from Frances Lake eastward to the Mackenzie. This area is wholly unexplored except for a belt of about 100 miles along Nahanni River. It is bounded on the north by Ross and Gravel Rivers, along the course of which a survey was made by Joseph Keele of the Geological Survey in 1907-08.

The most important geographical conclusion was to find that the Rocky Mountains definitely terminate at Liard River and, after extending

as a continuous group of ranges for about 1,000 miles, the system passes gradually into a high plateau region to the north. This feature was first suspected by McConnell in 1887 and is now confirmed by the observations and photographs taken on my recent expedition. South of the River the skyline is cut by a series of sharp peaks which, in some places joined by knife-edged ridges, stand well above the timber line, whereas to the north the topography is subdued, with rounded summits that only very occasionally reach beyond the timber line.

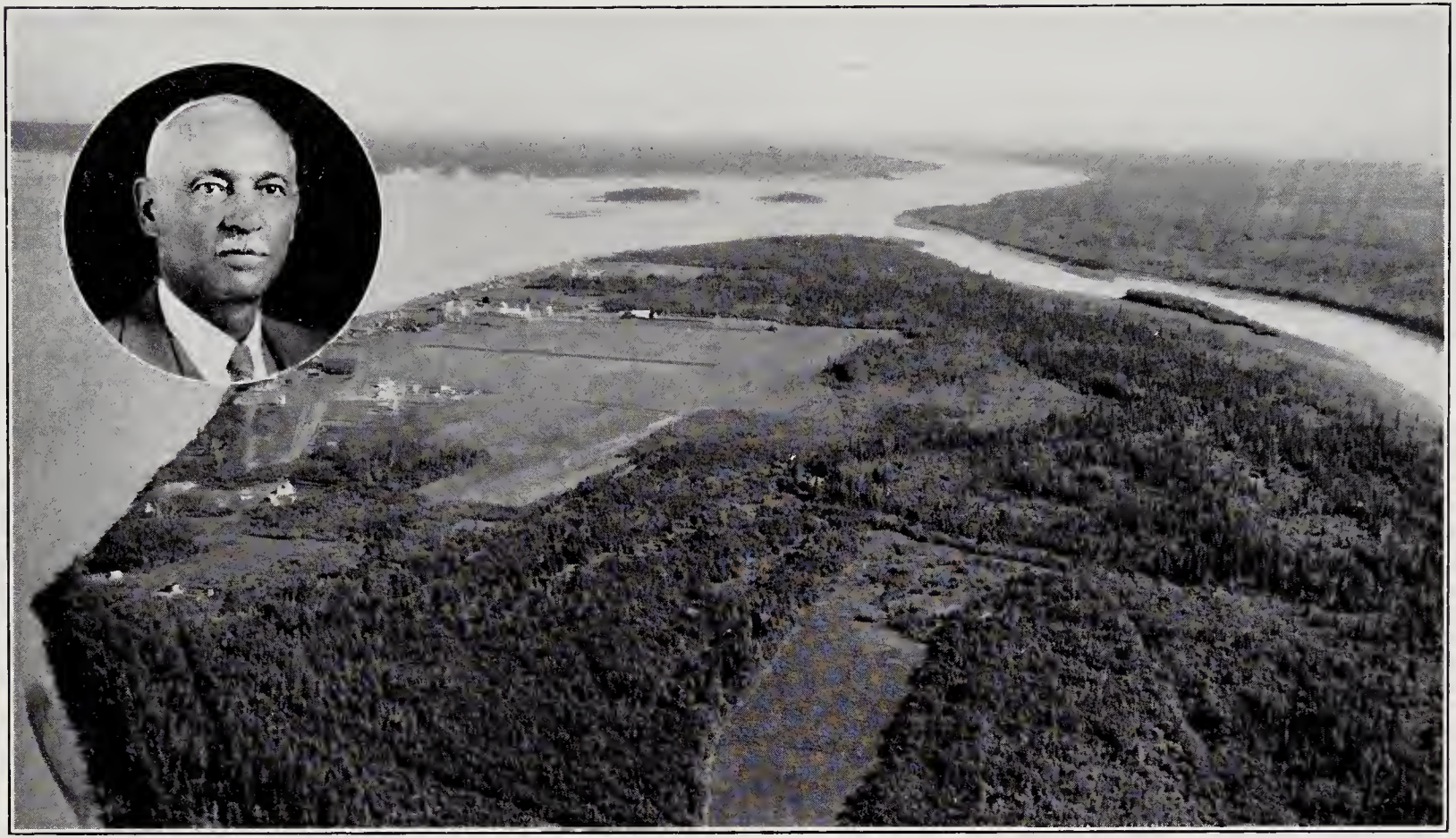
Mackenzie Mountains begin at latitude 60°, immediately west of the Liard, and extend northward and then north-westerly for about 600 miles as a gradually broadening belt of mountains, which, on the line of the Ross and Gravel Rivers, have a width of 300 miles according to Keele. Mackenzie Mountains are said to be the greatest single group of mountains in the whole of Canada. They comprise some 75,000 to 100,000 square miles, their eastern side being visible from Mackenzie River all the way from Fort Simpson almost to Fort Good Hope. They are largely unexplored, and their structure and history are unknown. They constitute perhaps the most difficult, accessible region throughout the Dominion and in all probability will be one of the last areas of this country to be accurately mapped.

To the explorer, and particularly to the physiographer, Mackenzie Mountains present, no doubt, the most interesting field in Canada that still remains to be investigated. Only two traverses across these mountains have ever been made and described: Joseph Keele's by way of Ross and Gravel Rivers, and my own in 1905 by way of Stewart, Beaver, Wind, and Peel Rivers. Exploration will prove to be a most arduous undertaking; the absence of landing places is a handicap to photography from the air, and the streams are not easily navigable even by canoe; but these difficulties merely make more inviting the challenge this mountainous region holds out to the explorer.

Hot Springs

In the Liard and Nahanni Rivers country the geographical feature known as the "hot springs" has attracted much attention. Most of the stories that have been written about this district have been woven around the occurrence and climatic effect of these streams. The legend of a tropical valley has persisted for many years; but, having visited this valley both in Winter and Summer I can positively state that the springs have no effect whatever on the climate and that tropical conditions do not exist at any of them.

Springs are known to occur at several points in the region. They were first noted by Robert Campbell of the Hudson's Bay Company during his exploration of the upper Liard in the "thirties" of the last century, and his reference is no doubt to the occurrences on the Liard between Fort Halkett and Devil's Portage. These springs are not all hot, some, for instance, at our landing place on the Liard, having a temperature of 46°F., against 60°F. for that of the water in the main river. At other points the water is warm enough to prevent the little ponds surrounding the streams from being frozen even in winter, a fact I observed when I stayed in the district in February, 1898. Springs have been recorded on Toad River about 15 or 20 miles south of the Liard, also on South Nahanni River about 20 miles above its mouth, where the water is said to have about the same temperature as that of Banff Springs.



FORT SIMPSON AT THE JUNCTION OF MACKENZIE AND LIARD RIVERS
Inset: Charles Camsell, ESQ., C.M.G., Deputy Minister of Mines, Canada

Two other localities that appeared to denote springs were noted from the air on either side of the river at Devil's Portage, but owing to the difficulty of making a landing they were not investigated.

The so-called tropical valley on Liard River is associated with the name of Tom Smith, a Yukon trapper, and his daughter, Jane, who lived for some years in a cabin at the hot springs near the Devil's Gorge. With a two years' catch of furs they set out in a boat to trade at Fort Liard. They portaged over the Devil's Gorge, ran the rapids of the Drowned, and successfully passed through Hell's Gate. In fact, all the dangerous water on Liard River was behind them when their boat was swamped in a whirlpool, their outfit lost, and Tom Smith drowned. His daughter got ashore and by some means found her way to Fort Liard, a hundred or more miles away. She died at Hay River only last year (1934) and no one had ever been able to induce her to say much about her experiences.

On our first flight down Liard River we noted some open patches in the timber, which looked like springs, and as these were near a spot where, when camping in March, 1898, on my way to the Klondike, I had found some springs, we landed near them on our second flight. After scouting along the bank, McLean and I found a trail running up on to the beach and through the woods. Following this for a third of a mile we came to a broken-down cabin with a tree across the roof. On the door of the cabin was a notice in block letters reading "Moved to the Hot Springs", with a hand pointing northward. Following the trail in this direction we came to an open meadow in which the vegetation was most luxuriant, but of a kind common to the country. Grass in the meadow was growing 7 feet high, and other vegetation was correspondingly rank. We could only follow the trail through the meadow by feeling for it with our feet and we frequently lost it. Searching around the end of the meadow we again picked up the trail, and after having followed it for two or three hundred yards we came upon a beautiful grove of large spruce and poplar in which were two log cabins with their roofs crushed in. A whip-saw, an ax, some pots and empty tins were scattered about, but it was apparent that the occupants of these cabins had left many years ago. There were signs of both bear and moose. A stream of clear, cold water ran near by, and there were many old game and other trails radiating from the cabins. They seemed to lead to no place in particular, at any rate not to any hot springs close at hand, and we found it difficult making a way through the thick undergrowth, but when we flew over the spot later in the day we sighted springs a few hundred yards to the west.

Examining the cabins more carefully, we found a notice reading "Leaving for Fort Liard". This was no doubt Tom Smith's last message to the world, for it could not have been many days after he had written it that he was drowned in the Liard, one of the most difficult and dangerous rivers to travel on in the whole of the north country.

Below Tom Smith's message was another notice, dated Mar. 25, 1929, four years after Smith's departure. This was signed "Leo and Fred" and indicated that they were proceeding to Wind River, a stream joining the Liard a few miles higher up. Who Leo and Fred were I have not found out, but presumably they were trappers.

THE
MACMILLAN COMPANY OF CANADA
LIMITED

A GREAT CANADIAN PUBLISHING HOUSE

Cultural Progress in Canada

Many people within our own borders, and without, are inclined, perhaps, to dwell upon Canada's position in agriculture, in industry, in finance, and generally in things material. It is natural enough. The Dominion is relatively a new country and the energies of its men and women since Confederation have largely been turned in the direction of making a living and building a country.

There has, however, been development of a solid and lasting kind along what may be called the more cultural and even, in the broadest sense of the word, the spiritual side. Indeed, since the War particularly, Canada's contribution to the arts has been a growingly important one, judged, not merely by local, but by international standards. Within those arts that of Literature has not lagged behind the others.

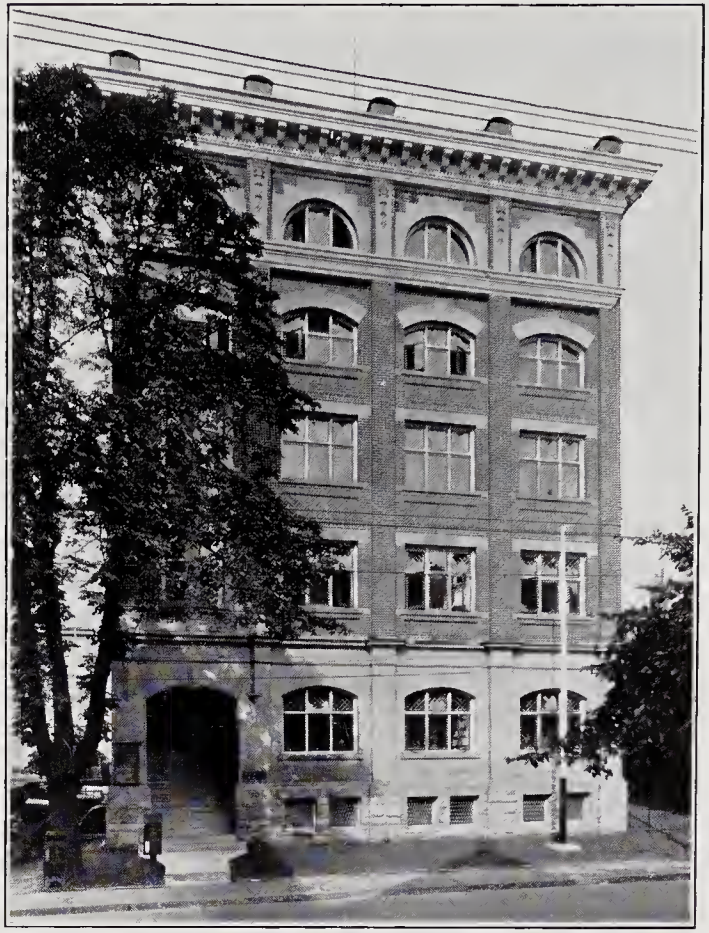
It may be well to admit that for a great many years the phrase, "Canadian Literature" was, in point of our country's contribution, a somewhat rhetorical and overdone term. Up to the Great War our best work had been in the field of poetry, and our next, in that of history—short as was the history of the country. In the novel, in the essay, in books of travel, popular science, philosophy and so on, there was not much to show; but the War changed all that. Just as Canada became a nation in very truth in August, 1914, just as her services and sacrifices in the field were the expression of a national consciousness, so was it logical that after the War that same awakened national consciousness should seek further expression in the spoken and in the written word.

Leadership in the Literary Field

There needed to be leadership and it can be said with confidence that one publishing house, The Macmillan Company of Canada Limited, an affiliate of the great London publisher, Macmillan, has played a leading part in discovering Canadian writers to Canadian readers and, in addition, to readers all over the English-speaking world. A history of The Macmillan Company of Canada Limited (it is not too much to say) is pretty largely the history of the growth and development of Canadian letters.

The Company came into being in December, 1905; its first officers, directors and shareholders, as its present ones, all were British. In February, 1921, the management of the Company was changed. Hugh S. Eayrs, who at that time was Secretary of the Company, became President and Managing Director, and Robert Huckvale, Secretary. It is interesting to note that the Executives were indeed young men: Mr. Eayrs was twenty-six and Mr. Huckvale, thirty-one. The Directors, in addition to the President, were Sir Frederick Macmillan, C.V.O., George Augustine Macmillan, George Platt Brett and Robert Linton Johnston. In 1923 Sir

HUGH S. EAYRS, ESQ.
President



ST. MARTIN'S HOUSE
Toronto

Frederick Macmillan and George Augustine Macmillan retired from the Directorate, their places being taken by Daniel d'Mendi Macmillan and Maurice Harold Macmillan, M.P. In 1927, upon the death of Robert Linton Johnston, Robert James McLaughlin, K.C., joined the Directorate. In 1933 Robert James McLaughlin, K.C. was in turn succeeded by his son, William Webster McLaughlin. In 1937 Robert Huckvale, who had been Secretary since 1921, joined Mr. Eayrs's Directorate and his place as Secretary was taken by Ellen Elliott.

In 1910 the Company erected its own building which is called St. Martin's House. It is regarded as one of the most beautiful buildings architecturally in Toronto and is in the British style.

Up to 1921, The Macmillan Company of Canada Limited existed in Canada largely for two purposes. The first was to publish textbooks of Canadian origin for use in Canadian schools, and the other was to import and to distribute in this country the publications of its distinguished allied Houses, Macmillan & Company, Limited, of London, and The Macmillan Company, of New York. Both these activities of the Company have been maintained and greatly developed in the years from 1921 to 1938. The name "Macmillan" on a Canadian textbook is becoming more and more a household word, while the distribution in Canada of the publications of the allied Houses has assumed vast proportions.

Canadian Writers

It was felt, however, by the new officers who began to conduct the business in February, 1921, that the name, which they think modestly is the best publishing name in the world, should be allied with the work of Canadian writers in the general field. During the last seventeen years, therefore, such Canadian novelists, essayists, poets and historians as Charles George Douglas Roberts, Grey Owl, Vilhjalmur Stefansson, Stephen Leacock, Hector Charlesworth, William Bennett Munro, Sir Robert Falconer, Mazo de la Roche, Norah Holland, the late William Hume Blake, Edwin James Pratt, George Mackinnon Wrong, Augustus Bridle, Sir Bertram Windle, Marius Barbeau, the late Fred Jacob, Frederick Niven, Pelham Edgar, W. Stewart Wallace, Albert Ernest Stafford Smythe, E. A. Hardy, the late M. O. Hammond, Katherine Hale, the Rt. Hon. William Lyon Mackenzie King, Mabel Dunham, Newton MacTavish, Reginald George Trotter, W. A. Langton, Sir James Outram, Agnes Laut, the late Marjory MacMurchy, Lorne Pierce, the late Martin Burrell, J. V. McAree, Audrey Alexandra Brown, Morley Callaghan, W. George Hardy, N. W. DeWitt, L. J. Burpee, and many others have been published under the imprint of The Macmillan Company of Canada Limited. Indeed, there are few Canadian writers of first rank who are not published under that imprint.

Educational Publications

The educational publishing side of the business is interesting. The world over the Macmillan imprint on a school, college or medical textbook is a guarantee of soundness. Many textbooks published half a century ago by the parent Company are still standard in their respective fields, but it has been the policy of the three Macmillan Companies to follow closely the development of thought in the textbook field, and wherever new ideas need expression at once to see that they get such expression in a Macmillan textbook or monograph. One may perhaps recite such names prominent in the field of educational books as Hall & Knight, Sir James Fraser, O. Siepmann, Lynn Thorndike, F. Castle, Duncan & Starling, E. Edser, F. W.

Taussig, Dr. R. G. Moulton, K. A. von Zittel, Parker & Haswell, E. B. Titchener, Josiah Royce, Sir Archibald Geikie, W. S. Jevons, C. F. Bastable, John R. Commons, Dr. Bernard Bosanquet, Prof. Henry Clay, Graham Wallas, Alfred Marshall, Daniel Starch, William Heard Kilpatrick, William F. Osgood, J. R. Green, Edward Cheyney, Hayes & Moon, W. B. Pillsbury, George Saintsbury, George Brandes, Alfred North Whitehead, F. O. Bower and Arthur I. Gates.

Agencies of the Company

In addition to its own publishing activities and its agency for Macmillan & Company Limited, London, and The Macmillan Company, of New York, The Macmillan Company of Canada Limited is exclusive agent for the following British and American Houses: Cambridge University Press, Cambridge and London; Constable & Company Limited, London; Chatto & Windus, London; A. & C. Black Ltd., London; Random House, Inc., New York; E. J. Arnold & Son, Limited, Leeds; The Viking Press, Inc., and Dryad Limited, Leicester. Additionally, the Medical Service Department of The Macmillan Company of Canada Limited is agent for the following medical-book publishers: John Wright & Sons Ltd., Bristol; Baillière, Tindall & Cox, London; E. & S. Livingstone, Edinburgh, and Edward Arnold & Co., London.

Policies and Aims of The Company

So large has the business of the Company become that it is now conducted along rather sharply departmentalized lines. The Editorial Department is under E. Elliott and W. S. L. Eayrs; the School Textbook Department, under J. M. Gray and F. A. Upjohn; College and Medical Textbooks, under C. E. Henderson; books of general literature, E. H. Morrow, R. H. Wilkinson and R. R. Graves. The treasury is in the hands of Robert Huckvale; and the Manufacturing Superintendent is G. E. Rogers. Publicity Manager is Ann Foster, who also supervises the famous Dryad arts and crafts books.

The Macmillan Company of Canada Limited can afford to seek only the best. Its aim is to follow closely the trends of thought—in particular, Canadian thought—and to find those best able to satisfy the public demands. The Company tries to see its duty and to see it whole. It publishes books. It views this publishing of books as more than a mere vocation. It takes the stand that by what it publishes—or, equally, important, refrains from publishing—it may contribute much to our national thinking. It believes it has a serious purpose and mission in the interest of Canadian letters. It feels most strongly that the only way in which there can be built a distinctively national Canadian literature is to see that only such work by Canadian authors, whether in the general or textbook field, sees the light as is good work, measured by the yardstick of accepted British and continental standards. It believes that to say a book is good merely because it is of Canadian authorship is to do a disservice to the cause of Canadian letters. Publishing, so far as this Company is concerned, at all events, is looked at from more than its merely commercial aspect. It is thought of as a high calling and the Company strives to "press toward the mark of that high calling."

H. S. Southam, Esq., c.m.g.

Eric Brown, Esq.

(By Lilias Torrance Newton, r.c.a.)

From The National Gallery of Canada Collection

THE NATIONAL GALLERY OF CANADA

OUTCOME OF THE FOUNDATION BY THE MARQUIS OF LORNE OF THE ROYAL ACADEMY OF ARTS

The National Gallery owes its existence to one of Canada's foremost Governors-General, The Marquis of Lorne, whose term of office was from 1878 to 1883. Recognizing the truism that there can be no enduring national greatness without a great art, he looked forward to the day when Canadians would rest a little from strenuous pioneering and take heed of the essential refinements of life. So the National Gallery was founded in 1880.

It is hardly necessary to trace the history of the institution during the next quarter of a century. It languished for many years, homeless and unregarded, an insignificant appendage to a Government Department devoted to the building of wharfs and bridges, and remembered only when a friendly politician had a bad picture to sell. However, it continued to be the repository of the diploma works of the Royal Canadian Academy and so the nucleus of a sound Canadian collection was formed.

Appointment of The Advisory Arts Council

In 1907, the National Gallery of Canada began to come into its own. The Government of Sir Wilfrid Laurier had the wisdom to place the National Gallery of Canada under the management of a non-partisan board, known as the Advisory Arts Council. The Hon. Sydney Fisher was one of the moving spirits in the work of placing the Gallery on a sound basis and the Government's choice of personnel for the new body was particularly happy. The first members were Sir George Alexander Drummond, K.C.M.G., C.V.O., Sir Edmund Walker, C.V.O., LL.D., D.C.L., and the Hon. Arthur Boyer. Upon the death of Sir George Drummond in 1909, Dr. Francis J. Shepherd was elected. Modest grants were made for its maintenance and the acquisition of works of art and the present Director, Mr. Eric Brown, was appointed first as Curator, in 1911, and as Director in 1913.

The Board of Trustees

In 1913, a further step was taken when the National Gallery was incorporated and placed under the management of a Board of Trustees, with Sir Edmund Walker, C.V.O., LL.D., D.C.L., as Chairman. The present members are:

Mr. H. S. Southam, C.M.G., Chairman.
The Hon. Vincent Massey.
Mr. Elwood B. Hosmer.

The Object of the Gallery

Practically the whole development of the National Gallery of Canada has taken place since 1907. The new Board proceeded at once to outline

a practical policy designed to achieve the twofold object of the institution, namely:

(1) The development of a national collection in Ottawa representing in the highest possible way the art of all ages.

(2) The encouragement and cultivation of correct artistic taste and Canadian public interest in the fine arts and the promotion of the interest generally of Art in Canada.

The Growth of the Collection

How the first of these functions has been carried out may be seen in a visit to the National Gallery in Ottawa, or a reference to the catalogue. The collection has grown during the past twenty years until it is now one of the really important ones in America. The Gallery contains what is undoubtedly the most representative collection of modern British art outside England.

A glance at the catalogue reveals the names under the following schools: Venetian—Titian, Tintoretto (3), Veronese (3), Sebastiano del Piombo, Cariani, Bellini (School), Montagna, Moroni, Canaletto (4); Florentine—a group of three Giottesque panels, "Madonna and Child", "Three Apostles and St. John the Divine", Neri di Bicci, Botticelli, Andrea del Sarto, Bronzino, Furini, Luini, Puligo; Spanish—El Greco, Murillo, José Leonardo, Goya, and a group of 17th Century works attributed to Sebastian Gomez, Herrera the Younger and others; Flemish—Rubens (2), Jan Prevost, Mabuse, Antonio Moro, Van Dyck (2); German—Lucas Cranach, Bartholomaus Bruyn, Bartel Beham and others; Dutch—Van de Cappelle, Solomon Van Ruysdael; French—Le Brun, Rigaud, Corot, the Barbizon School and Impassionists.

The British School is well represented from the period of Hans Eworth, who followed Holbein in England during the early 16th Century down to the present day, and the collection is being continually increased by the addition of outstanding works of art of all kinds. Among the modern British will be found Arnesby Brown, Orpen, Lavery, Furse, Brangwyn, Strang, Adrian Stokes, Charles Shannon, Charles Ricketts, Cayley Robinson and many others.

This by no means exhausts the list but enough has been said to indicate the growing scope of the collection.

Loan Exhibitions in Canada

The second function of the National Gallery is of equal importance and it is here that a new trail has had to be blazed. How to bring art to a population of less than ten million people scattered over a continent 3,000 miles wide, was, and still is, a problem, although it is rapidly being solved.

In order to serve the communities remote from the capital, the National Gallery has evolved a system of loan exhibitions which, begun in 1913, now cover the Dominion from coast to coast. These are collections of from ten to thirty pictures, usually Canadian, which are sent to any institution or art body having adequate facilities for keeping them on free public exhibition. They are usually lent for a year and the only expense to the borrowers is the cost of transporting the canvases from and to Ottawa. In addition to these loans, the National Gallery also arranges for loan exhibitions of British and foreign works, from time to time, which are circulated in the larger centres throughout Canada. This branch of the work is in a continual state of expansion as cities provide

Hyacinthe Rigaud
No. 4310. Family Group
From The National Gallery of Canada Collection

Veronese (Paolo Cagliari) 1528-1588

No. 4268. The Rest on the Flight into Egypt

From The National Gallery of Canada Collection

suitable galleries where such exhibitions can be safely hung and adequately cared for.

Canadian Exhibitions Abroad

Another phase of the work of the National Gallery which has recently assumed very large proportions, is the management of exhibitions of Canadian art abroad. Representative collections have been shown in London, England, at Wembley in 1924 and 1925, at Musée du Jeu de Paume in Paris, France, in 1927, at the British Empire Trade Exhibition at Buenos Aires in 1931, in the Southern Dominions, South Africa, New Zealand and Australia, 1936-39, and "A Century of Canadian Art" at the Tate Gallery, London, England, in 1938, and others in practically every important city in England with very gratifying results.

In these and many other ways the National Gallery of Canada seeks to bring a fuller understanding of art to the Canadian people and to make Canadian Art known at home and abroad.

THE ARCHITECTURAL CONSERVANCY OF ONTARIO

SCHOOL OF ARCHITECTURE

UNIVERSITY OF TORONTO

TORONTO ONTARIO

Officers

Hon. President: The Hon. Albert Matthews, LL.D.

Hon. Vice-President: The Hon. T. B. McQuesten, K.C., M.L.A.

President: G. M. Wrong, LL.D.

Vice-Presidents: Martin Baldwin, Col. the Hon. Herbert A. Bruce, W. H. Cawthra, the Hon. and Rev. H. J. Cody, Mrs. David Fraser, George T. Fulford, the Hon. W. D. Herridge, K.C., D.S.O., John M. Lyle, R.C.A., R. O. McCulloch, J. S. McLean, Mrs. Sidney Small, Rev. C. H. E. Smith.

Executive Committee: F. D. L. Smith (Chairman), C. H. A. Armstrong, K.C., Mrs. W. R. Campbell, H. B. Dunington Grubb, Eugene Hawke, R. A. Laidlaw, Fred Landon, A. Montye Macrae, A. S. Mathers, R.C.A., Miss Isabel McLaughlin, Lt.-Col. H. C. Osborne, C.M.G., J. J. Talman, Col. Andrew T. Thompson, K.C., Col. Mackenzie Waters, A.R.C.A.

Council: Mrs. Agar Adamson, A. F. Coventry, Colin Drever, Lt.-Col. George A. Drew, Moffat Dunlap, J. Fred Green, E. C. Guillet, L. B. Husband, Cyril C. Inderwick, G. R. Larkin, J. M. Macdonnell, C. S. MacInnes, K.C., C.M.G., Lt.-Col. H. H. Madill, C. George McCullagh, John A. Pearson, Jack Ryrie, B. K. Sandwell, Wilfred F. Smith, W. L. Somerville, R.C.A., Malcolm W. Wallace, W. S. Wallace, Mrs. M. C. Wotherspoon.

Hon. Secretary: E. R. Arthur, A.R.I.B.A. Hon. Treasurer: Col. A. L. Bishop

Sec. Treasurer: J. F. C. Smith

The Architectural Conservancy of Ontario, a society for the preservation of the best existing examples of the early architecture of the Province, and for the protection of its places of natural beauty, was incorporated in 1933.

The colonial architecture of Ontario, in addition to possessing a definite character of its own, displays a high level of intrinsic architectural merit. As every year one or more of the older buildings is lost by demolition or fire, or marred by alteration or decay; it was felt by the charter members of the Conservancy that, unless some determined effort toward preservation were made, future generations would lose what might be properly described as a fine artistic heritage.

In England, the Society for the Protection of Ancient Buildings, and the National Trust, have preserved for posterity many fine old buildings and beautiful natural sites, of which Haddon Hall, in Derbyshire, and Runneymede, where Magna Charta was signed, are examples. In Quebec, the Historic Monuments Commission devotes itself chiefly to the old churches and houses in that Province, many of which are recorded in the Commission's beautifully illustrated, and already rare, publications. Notwithstanding the valuable work performed by many local societies in Ontario, the Province, as a whole, lacked a comprehensive organization concerned primarily with the preservation of its early architecture, and the safeguarding of its natural beauty, until the incorporation of the Conservancy.

St. Andrew's Church, Niagara-on-the-Lake
Second Church erected 1831; restored in 1855; and again restored, 1937
(First Church erected in 1794 and burned in 1813)

During the last ten years, upwards of one thousand of the older buildings in Ontario, representing the best remaining specimens throughout the Province, have been photographed and, in some instances, measured and drawn in detail by Professor E. R. Arthur, of the School of Architecture of the University of Toronto, and associates of his, who have placed this valuable material at the disposal of the Conservancy. A Map of the Province, showing the location of these buildings, is in course of preparation.

As the first aim of the Conservancy, the work of recording the early buildings in the Province, nears completion, increasing attention is being paid to making them better known, for it is thought that when their interest for posterity has been brought to the notice of their present owners and the public, the first step toward their preservation will have been accomplished. In this connection, exhibitions of photographs have been held and radio talks and illustrated lectures have been given. The Conservancy is indebted to the School of Engineering Research, University of Toronto, whose brochures on the colonial architecture of Ontario have greatly stimulated the interest of the members.

Outstanding among the achievements of the society has been the preservation of historic St. Andrew's Church, Niagara-on-the-Lake, which was financed by private citizens. After several years of lecturing and the writing of newspaper articles, the Conservancy can perhaps take some credit for the restoration of Fort Henry and Fort George, at Kingston and Niagara, respectively, by the Dominion Government in collaboration with the Government of Ontario. Ultimately, public-spirited citizens may, as in the case of similar organizations elsewhere, desire to make gifts or legacies for the acquisition of buildings and lands which it will be the Conservancy's object to preserve. These may include sites of natural beauty, which should be preserved from defacement or destruction, and maintained with their natural features unimpaired.

The value of fine buildings and beautiful sites as an attraction to the better type of tourist is well known in Europe, the New England States, and the Province of Quebec, and it is expected that the distribution of the Conservancy's pamphlets and maps, particularly at points on the Border, will open up a new field of interest for the visitor.

The Conservancy's objects can only be attained if the citizens of the Province, and other interested persons, lend their support by becoming members, and it is thought that, with the co-operation of the Provincial authorities, of local societies, and of regional committees of members of the Conservancy, its range of usefulness can be steadily increased. The annual membership fee is $2.00, and application for membership should be made to the Secretary-Treasurer, Architectural Conservancy of Ontario, School of Architecture, University of Toronto, Toronto, Ontario.

CRICKET IN CANADA

By

Crauford Martin

During the years before the Great War a fairly constant stream of newcomers from England assured a supply of keen and able cricketers and also made available as coaches and groundsmen persons who were well able to teach the game to young Canadians. It was not unusual to find among the members playing for Toronto and Hamilton clubs persons described as "pros". The presence of these professionals assured the continued interest of those who had learned the game at private boarding schools and were playing at the universities. Comparatively few young Canadians learned their cricket at smaller city clubs whose members were, in the main, older men who had learned the game in England.

Changes in the Sports Field

The last two decades have seen a great diminution in the number of Englishmen coming to Canada to make their homes here. Qualified coaches are practically unobtainable, even where there are funds to pay them. The game of golf has attracted the great majority of those who learned to play cricket at school, but the greatest counter-attraction of all has arisen from the building of good roads enabling people to get quickly and comfortably out of the cities into the country. Ten or fifteen years ago there was a great cry in Toronto for permission to play Sunday tennis or cricket. To-day, both cricket and tennis, and often golf, are apt to play second fiddle to a week-end in the country. On the other hand, the adoption of matting by most of the clubs in the East has made it financially possible for many clubs to continue which otherwise could not have afforded to keep a grass wicket.

Practically every game in Canada which is played by a club or a team as distinguished from individual effort, suffers from the disadvantage due to the great distances and the severe climate. The former makes it very hard to arrange true tests of opposing strength, and the shortness of the seasons too often results in the contest, when arranged, being played in unseasonable weather. In the case of cricket, however, it has been customary for clubs and representative elevens to undertake more or less extensive tours, and it is possible, looking at the results of these tours, to form a fairly good estimate not only of the relative strength of the clubs engaged, but also of the progress made in raising the standard of play. This is particularly true of Eastern Canada which has enjoyed a more or less constant succession of visits from England, Bermuda and the United States in addition to interprovincial fixtures. While the West has not been so fortunate with regard to English teams it has enjoyed fairly regular visits of the Ridley College Elevens and its interprovincial tournaments have been the envy of the East for years. These fixtures have not only produced fine cricket but have resulted in a most co-operative spirit and harmonious organization. I would not venture to deal in any greater detail with what has been accomplished and, beyond recording my admiration for the result, will leave the subject of Cricket in the West

to be dealt with by someone with the necessary knowledge. What follows is written from the viewpoint of Eastern Canada.

Visiting Teams

The visit of the Incognito to Toronto in 1920, Mr. Norman Seagram's tour in England in 1922 and the visit of the Free Foresters to Ontario and Quebec in 1923, although resulting in few victories for the Canadians, revealed distinct progress. The match played in Toronto against the last named eleven by eighteen boys who had learned their cricket at Ontario boarding schools showed that there was talent coming on, if only interest could be sustained.

Three years later the Toronto Cricket Club determined to make the effort to retain this interest in cricket and, with the help of several most generous and public-spirited gentlemen, acquired its own grounds and equipped the same for cricket and tennis in a manner which it was hoped would be attractive to young Canadians. These grounds were opened by a visit of the Gentlemen of Philadelphia, and the visitors were successful in winning both matches played.

In 1932 Mr. Arthur Mailey, who had spent the previous year as a guest at the Toronto Cricket Club, arranged the second Australian tour of Canada from Coast to Coast. His Eleven played in every Province of Canada save the Maritimes and with the exception of one match in Vancouver, B.C., proved far too strong for the opposition. Although the Canadian sides did not provide any very close finishes and were unable to prevent the making of a number of records by Bradman, at the same time the visitors' comments revealed the fact that great progress had indeed been made in the previous years.

In 1933 Sir Julian Cahn brought his Eleven to Eastern Canada. It was almost as strong as the Australian team and he was victorious wherever he went. During August of the same year the Cambridge Vandals, playing cricket and rugby football, paid a visit to Ontario and Quebec. This team was composed of young university men and did not pretend to be a first-class cricket side. Nevertheless, it marked a turning point because some of the Canadian Elevens playing against it were noticeably stronger.

In 1934 Mr. Harry Dean of Toronto arranged a trip to the West of an Eleven chosen by him from Eastern Canada. This was the first visit paid to Vancouver by an Eleven in any way representative of the East and the opposition which they met in British Columbia demonstrated that cricket in that Province had little to learn from the East.

Efforts of the Hon. R. C. Matthews

In 1936 the Hon. R. C. Matthews, recently retired from the position of Minister of National Revenue, determined to try his luck in England. From 1926 to 1932 he had been President of the Toronto Cricket Club, and a member of the Toronto and District Cricket Council, and in both capacities had shown himself a most generous and enthusiastic supporter of the game. He had early become convinced that the only way in which cricket could obtain a firm hold in Canada was by teaching it to the boys and to this end he spared no pains, trouble or expense in supporting the movement to encourage junior cricket in Toronto.

With this background it is not surprising that he took great care to select his Eleven from among the most outstanding young players throughout the country. While this side played in England as his own Eleven,

there is no doubt that it was the first truly representative Canadian side to visit the Mother Country. Its personnel would not have been much different had there been in existence a central body authorized and empowered by all cricketers in Canada to make the selection. Mr. Matthews met with well-deserved success in England. Out of fifteen fixtures he won seven clear victories and sustained but one defeat, the remainder being drawn games, most of which were in his favour. Of his 15 players, 9 were Canadian-born and had learned their cricket in Canadian schools.

As a direct result of this visit a Canadian tour was arranged by the M.C.C. in 1937. For the first time a match was played in Canada against an English touring side by a Canadian side which, though again playing as Mr. Matthews' Eleven, had in fact been chosen from among players from Coast to Coast. For the first time a first-class English touring side was beaten in Canada. While this M.C.C. team did not have the same stars as were found in previous sides, its success in other parts of the country showed that the victory in Toronto was significant of the progress which lately had been made in Canada generally.

During all these years the number of persons and clubs playing in the City of Toronto has steadily increased. In 1922, when the Toronto and District Cricket Council was first constituted, there were 25 clubs and some 400 registered players. By 1938 the clubs increased to 48 with some 700 players, including juniors. The total would have been larger had it been possible to find grounds on which to play. This increase is partly due to the support which the Toronto City Council has given to the game in making available grounds in the public parks. The use of matting has made it possible to take the fullest advantage of this generosity. In the whole of Ontario there are over 70 Senior clubs formed into 6 leagues. Their annual competitions have steadily produced more players of better calibre. Ten years ago, even after the introduction of matting, it was a rare distinction for anyone in Canada to make a century. During 1938 the number scored will exceed double figures in Toronto alone. It is regrettable that there is still but the one club in Toronto owning its own grounds; and I think it is safe to say that no other similar organization in Canada is in the position of the Toronto Cricket Club whose good fortune in this regard is due, largely, to Mr. Norman Seagram.

In 1934 the Hon. R. C. Matthews made a further effort to encourage interest in cricket by presenting a cup for competition not by Clubs but by Elevens representative of the different counties in Ontario outside of Toronto. It is surprising how quick and enthusiastic was the response to this move, over twelve counties participating during each of the last few years. The Elevens which have met in the finals have been stronger than most of the clubs in Toronto—a first-class exhibition of cricket being put up on every occasion.

The John Ross Robertson Cup

In 1911 the late John Ross Robertson had donated a Cup to be emblematic of the Club Cricket championship of Canada. This Cup before the War travelled West as far as Winnipeg and since then has been won by a number of Toronto and Montreal clubs, the chief winners being McGill in Montreal and the Toronto Cricket Club in Toronto. Last year for the first time since the War, a Western club, St. George's of Winnipeg, entered the competition but was not successful in taking the Cup from Toronto. There is no doubt from a survey of the scores which have been made in the competitions for this Cup in the last few years that the sides

competing have grown progressively stronger every year. Perhaps a good example of this is the fact that the Toronto Cricket Club which won the trophy in 1937, that same year came within a very few minutes of beating the M.C.C.

Future Plans for Cricket

In the Autumn of 1938 it became known that an invitation will be extended by the M.C.C. to a touring Canadian side provided the same can be said to be truly representative of Canada, that is, chosen from players throughout the country by some responsible body. There is already in existence a Western Board—that is, for British Columbia, Alberta, Saskatchewan and Manitoba. Although Club and League cricket are very well organized in Ontario and Quebec, the situation is not so clear in the Maritimes. Nevertheless, every effort is being made to complete the organization in the East so that there will be a Dominion Board able to accept this invitation for the Summer of 1940.

It can be said with a great deal of truth that although the climate is not ideal, cricket is in many ways well suited to Canada and should increase in popularity. Responsible people hold it in high esteem not only for the character building nature of the game, about which so much has been written, but also because they feel that it will never have that appeal to the Canadian general public which results in large gate receipts, luxurious quarters and a spirit of selfish semi-professionalism which has been the curse of most amateur sport. For this reason financial and other assistance is always forthcoming when really needed and the general direction of the game is in the hands of influential and competent persons. So generous, indeed, have been the patrons of the game and so co-operative have been the municipal authorities in providing grounds, etc., that the tendency of the players and their more humble followers has been to accept what is done for them as their due, and to make no effort to better conditions.

The future lies with the young players who have learned the game at school or with a junior organization planned to take care of the public school boys. If they will only work towards attaining their own grounds the next few years will see an immense increase in the numbers deriving real enjoyment from cricket in Canada.

ST. GEORGE AND MERRIE ENGLAND

BY

Charles Rupert Sanderson*

AT THE 105th ANNUAL DINNER† OF

THE ST. GEORGE'S SOCIETY OF TORONTO

Mr. President, Your Honour, Your Grace, Your Worship, Gentlemen: I have mixed feelings at this moment. It has been permitted to a few men by an accidental report of their death to read their own fulsome obituary notices. As Mr. King‡ was speaking I felt that I was listening to mine in advance. It gives me something to live down. And I feel, too, as Augustine Birrell felt on one occasion when addressing a meeting: he said that he rose to speak on the spur of six months' notice. (Amusement). In those six months one's ideas have changed as to what might fittingly be said at a gathering like this, because great events in the world have recently been following one another in almost bewilderingly rapid succession. And to-night I am anxious, I am desperately anxious, that in these times and under these conditions I should succeed in saying something that may be worth the saying. I know from my own position in civil life, as I also know from the traditions of this Society, that I must avoid politics. Yet at the same time I know from my past experience at these gatherings, that everyone who comes to the St. George's Society annual dinner expects to take away, not an after-dinner speech full of persiflage, but something that was worth listening to.

To-day the political actions of nations are rocking the very fabric of the world in which we live. To-day the world seems to be assuming the characteristics of a psychiatrist's paradise, or a musician's nightmare, because if our times were set to music the result would sound like Richard Strauss, Ravel, Stravinsky, and Schönberg being played at the same time with disharmonised orchestras.

A few years ago Ramsay MacDonald, then Britain's Prime Minister, on his way to an International Conference was beset by newspaper people who wanted to know what he thought of the situation. He could only shake his head as he got into a train in a London station and say, "This crazy world!" Gentlemen, it seemed crazy then; it is infinitely more crazy now.

To-morrow is St. George's Day. We celebrate that festival to-night. But in these times and under these conditions I suggest to you that to-night's great gathering is much more than a reunion of St. George's men. It takes on the solemn character of a re-dedication of our faith in the integrity of our Mother Country, and a re-affirmation of our faith in her destiny.

In recent years Britain has taken a certain stand and has made a certain pronouncement (I do not refer to the immediate Chamberlain and Eden issue) saying that she must not be regarded as being solely responsible for the peace of the world. Much as she regrets oppression

---

NOTE.—*Chief Librarian of the City of Toronto; †Apr. 22, 1938; ‡Mr. Cecil King, First Vice-President of The St. George's Society of Toronto.

elsewhere, sincerely as she laments the continued and repeated substitution of Might for Right, nevertheless she has said that she cannot plunge herself, and possibly the Dominions, into war by assuming the position of policeman of the world. On the other hand, she can build up her armaments so that her voice will ring with a more commanding tone when she may be called upon to speak on the side of justice as against despotism.

Some people hope—and I say this although I can not and must not talk politics here—some people hope—and I am one of them—that the day may yet come when the United States of America and the British Commonwealth of Nations will stand hand to hand and foot to foot, (Applause) and, so standing, will speak in the international political forum with the united voice of the English-speaking democracies of the world. War would be pushed out of existence. So I say again, gentlemen, St. George's Day, always memorable, to-day represents a highly significant gesture. In these times and under these circumstances it is a re-dedication of our faith in the integrity of our Mother Country, and a re-affirmation of our faith in her destiny. I say her *integrity,* because I have never forgotten one thing that a friend of mine, an Austrian Jew—and, gentlemen, think of the fullest implications which are involved in that term at this moment of the world's history—once said to me. He told me that it was proverbial in his country to say that "a man was as upright as a British Judge." (Applause). And I say her *destiny,* because as believers in democracy we also believe, with absolute faith, in the ultimate triumph of right and justice. (Applause).

Of recent times—and we have all come up against this—of recent times when international acts of aggression have taken place, we have met people who have been heard to say that other countries are doing only what England herself has done in the past. One asks, "When?" The reply is a somewhat embarrassed admittance, "Oh, well, it is a long time ago." They mean generations ago. But, gentlemen, it is probable that at this moment the descendants of sheep stealers are themselves living in rectories or manses on both sides of the Anglo-Scottish border—I say both sides in deference to the feelings of the honourable representative of St. Andrew's Society—and are to-day dedicating their lives to justice, to humanity, to righteousness. What was, was; and in its own times and circumstances. It is to-day with which we are concerned. And these acts of aggression which appal us are not things which took place generations ago, they are things that are happening to-day in this world which we believed and hoped was growing, if not more Christian, at least more Christianized.

St. George's Day this year is not merely a continuing of a tradition. If that alone were what we are doing, it would still be a fine thing. Somerset Maugham says the odes of Keats are more beautiful now than when they were written, because they have been enriched by the emotions of all those who have found solace and strength in their loveliness. In just the same way traditions are ennobled by the emotions of all those who find courage and strength in their observance and maintenance. But St. George's Day this year is not merely the continuing of a tradition. Once more I repeat, and I say it for the third time, we are this day re-dedicating our faith in the integrity of our Mother Land and re-affirming our faith in her destiny.

Time and again addresses have been made which have rested on statements that twenty-five per cent. of the land of the world is under

the British Flag; that twenty-five per cent. of the population of the world are British subjects; that thirty per cent. of the trade of the world belongs to the Commonwealth. Gentlemen, if that were the basis of our loyalty, it would be just as if a Frenchman based his loyalty on the height of the Eiffel Tower, or an American on that of the Empire State Building, or as if we based our own loyalty on the fact that to-night we are meeting in the largest hotel in the British Empire.

On this Eve of St. George, I suggest that we can do nothing better than look for a moment or two at those things which concern not numbers, not weight, not size, but which are non-material, almost spiritual things—the real things that bind fast our loyalty, our affection, our respect. I don't think we recall often enough, that one of the reasons for the closeness of our tie is that the bonds themselves are intangible.

We speak with admiration of that man in business "whose word is as good as his bond." It has been said that a Huddersfield man is the only man in the world who can buy from a Jew and sell to a Jew and still make a profit. Both are hard-headed business men. The rest of Yorkshire tells the Bradford man that he is two seconds behind the remainder of the West Riding in seeing the point of a joke. The Bradford man says: "Nay, lad; it's not that; we want to be sure a thing's worth laughing at before we laugh; we don't waste our laughs." (Amusement). Again, hard-headed business men. Yet throughout the Yorkshire and Lancashire that I know so well, huge business transactions go forward from day to day with nothing but a note in the pocket-book and a shake of the hand. If it is a small transaction, they don't even bother shaking hands. (Amusement).

The bond is a bond of trust, a bond of faith, a bond of common integrity. It is stronger than any legal bond could ever be. It is a gentlemen's agreement. Is not our bond with the Old Country of a similar nature? The Imperial Conference of 1926—we all remember when it presented its report—made one particularly significant statement. In speaking of Great Britain and the Dominions—note, the Dominions *and* Great Britain—it said they were "autonomous communities within the British Empire, equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs, though united by a common allegiance to the Crown." That was not only printed, you will remember that it was printed in italics so that it stood out on the page. And in the preamble to the Statute of Westminster itself it is stated that the Crown is the symbol of the free association of the British Commonwealth of Nations. An intangible bond, something we can't touch, but there is inherent in it the acceptance of a blood brotherhood. Nothing could bind us closer. It is a Family Compact of a new type, depending on love, on affection, on faith, on integrity, and on a loyalty to the one Crown. Gentlemen, it is the strongest bond that humanity can possibly know.

Let us remind ourselves too how closely associated with this intangible bond and with this allegiance is our common belief in democracy. And not only our belief in democracy itself, but our belief in its effectiveness to bring about a political evolution as times and needs themselves change, so that our Constitution and Government, and even our Crown, are all imperceptibly adjusted in accordance with our times and needs. Political revolution is not only unnecessary; it is absolutely impossible. True democracy and revolution are incompatible terms.

Let us recall how completely true this political evolution is. We have a Crown that is the nominal head of the Church of England; Queen

Victoria claimed complete supremacy of the Church; even to-day every Act of the Church requires the Royal Assent. We have a Crown the head of the armed forces; we call them the Armed Forces of the Crown. We have a Crown with the right of sole veto on any Act that goes through the House of Commons and the House of Lords. Yet the King himself begs admission to the City of London before he passes Temple Bar. The King's own messenger, Black Rod, when he approaches the door of the House of Commons, finds the doors ceremoniously shut in his face and he is compelled to knock and ask for entrance. And more than once in our own generation the King himself, when a doubtful situation arose, has threatened to step in to see that the will of the people shall be supreme.

We have an amazing paradox—an apparently complete autocracy of the Crown, which in actual practice becomes the most complete democracy that the world knows to-day. (Applause). And one of the big points is, gentlemen, that this contradiction is not adjusted by Statute; it is done by conventions; it is done by agreements. These find no place for the most part in any Statute; they depend on the mutual faith and the integrity of the Crown and people. Those agreements, those conventions, could not have more force if their sanctions were written laws. Indeed, they probably would not have as much force as they now have if they depended on Statutes. Faith, trust, belief in integrity; these things surpass Statutes.

Even the Crown itself has changed with changing times. Viscount Esher, a man who held high office under Queen Victoria and under Edward VII, has published three volumes of his Journals and Letters. In his first volume he tells how he and his wife went to dinner at Windsor Castle in 1897 when Victoria was Queen. He says: "Gold plate, and beautiful Sèvres. Indian servants stood behind the Queen. A Highlander to pour out the wine. . . . No 'courses'. Dinner is served straight on, and when you finish one dish you get the next, without a pause for breath. Everyone talked . . . only in subdued tones. . . . After dinner the Queen rose, and we stood back against the wall. She went out and we followed. Immediately to the left of the doorway in the corridor was placed a chair, and in front of it a little table. There the Queen seated herself. We stood in a circle at a considerable distance." Lord Esher goes on to say that coffee was served, but the Queen's coffee-cup and saucer were not put on the table. A page stood at her side and held the saucer on a small waiter as she sipped her coffee. Meanwhile the circle at the "considerable distance" whispered discreetly. First one person and then another was summoned to go and speak to the Queen. Finally she rose and went away. Doubtless the company then talked aloud.

Contrast the ceremonial in this story with another story which Lord Esher quotes concerning Edward VII. Again there was a dinner at Windsor, soon after Edward VII's accession. King Edward wanted to play bridge, and he wanted to play for money. Queen Alexandra refused. She said her allowance had not yet been fixed by Parliament and she could not afford it. Eventually they compromised by playing for pennies, and at the end of the evening King Edward was elevenpence up and Queen Alexandra was sevenpence down.

Follow on with King George. None of us will ever forget the day of his death. On the morning of the day on which he died, the King, propped up on pillows, held a Privy Council meeting to appoint a Council of State. Arthur Bryant (the author of the brilliant volumes on Pepys) tells the

story of his last hours. "Weak and frail as he looked, he called out the formal 'Approved' in his old clear voice, and then tried to take the pen which Lord Dawson, his physician, handed him to sign his name to the Order. But his fingers were so weak that he could not grasp it. For some moments he fumbled pathetically with the pen, then with a smile and all his exquisite courtesy he turned to his Council and said, 'I am very sorry to keep you waiting so long,' and after a pause, 'You see, I cannot concentrate.' . . . For some minutes still the hands renewed attempts, most gallant and pathetic, to sign. At last he was content to make a mark.

"After that the King fell asleep. He sank into coma, but in one of his last moments of consciousness he asked his secretary, Lord Wigram, 'How is the Empire?' And his secretary replied, 'All is well, Sir, with the Empire.'"

Can't we imagine the tears that must have been in the eyes, and the lumps that must have been in the throats of those who shared that scene? It was not an autocratic or despotic ruler asking about the progress of some display of force, but a King in his dying moments still anxious for the peace and welfare of the Commonwealth. Is it any wonder that our loyalty grips both our intelligence and our emotions, our minds and our hearts?

We can see another very recent illustration of this evolutionary change of which I have been speaking. The Coronation Oath was set down by a Statute of 1688. It has never been repealed or altered. Yet when the present King was crowned the Coronation Oath was changed. It was changed because times and conditions themselves have changed. The Dominions were now much closer partners in the Coronation than ever before: "equal in status, in no way subordinate in any aspect of their domestic or external affairs, though united by a common allegiance to the Crown." And that common agreement is carried out by a commonly agreed change in the Coronation Oath. The result is the binding of everyone in this democracy of the British Commonwealth of Nations closer together than before in their common allegiance to the Crown, and that result is all the stronger because it does not depend on the observance of a Statute. (Applause).

Let us remind ourselves, too, how closely freedom of thought is a part of all this. In Hyde Park anyone who can get an audience can talk on anything he likes, so long as he does not commit a breach of the peace —and provided he can get an audience to listen to him. But he has to get and hold his own audience, and there are lots of "isms" blown to the winds for want of an audience. By Statute no one can criticize the Crown, or the Constitution of Parliament, or that of the Church of England. Nevertheless one can hear them not only criticized but attacked with invective in Hyde Park any day of one's life. Yet the police admit that they hate to make an arrest because half the habitation of Hyde Park follows them to the police station—*out of curiosity.*

Could we possibly have a more marked contrast of what is involved in freedom of thought and opinion than that provided by the statue of Dollfuss in Vienna and the statue of Charles I in London? We all saw the picture the other day of the statue of Dollfuss being ceremoniously crashed down to the ground in the presence of a military parade. Compare this with the statue of Charles I. It is true that this statue was pulled down in Cromwellian times and ordered to be broken up. But that was nearly 300 years ago. And as we all know, the man who was supposed

to break it up produced scrap brass to indicate that he had done so, but actually he buried the statue, which was produced and erected again at the Stuart restoration. And every year, at the anniversary of the execution of Charles I on Jan. 30, this statue, standing at the junction of Charing Cross and Whitehall, is the centre of a remarkable ceremony. As I have said, it is legally a crime to criticize the Crown and existing Constitution. But within a few hundred yards of the Houses of Parliament —the seat of law, only a stone's throw from Scotland Yard—the centre of law enforcement, and almost within sight of Buckingham Palace through the Admiralty Arch—the official London residence of the Crown, people who are still enthusiasts of the Stuart Dynasty, and who have banded themselves together in societies in support of their beliefs, adorn this statue of Charles I with flowers and wreaths, *and do it under police protection.* Moreover, the Government spent $2,000 in covering this statue with sandbags to protect it from any possible harm during the last war. Dollfuss and Charles I. Let us remember what they stood for, and then contrast the treatment of their statues. Our picture of freedom of thought and speech is almost complete.

Let us go one step further. Liberty and freedom not only go side by side with security for the British citizen, but there is a similar security for the persecuted from whatever part of the world they may come. Traditionally, England has been recognized as an asylum of refuge and safety for the oppressed from almost every country in the world. We could talk about the numbers of Huguenots and of the refugees from the French Revolution who sought protection in England, but recall some of the individuals who have found refuge there practically within the last hundred years. Metternich, perhaps the greatest mind in European diplomacy in his time, and the one person who, more than any other, was responsible for the suppression of nationalism in the settlement that followed the Napoleonic Wars, thereby sowing the initial seeds of the last war—in the end he seeks safety in England; Kossuth, who fought for Hungarian independence against Metternich, but who himself also stood for the despotic suppression of the still smaller minorities—Kossuth eventually flees to England; Karl Marx with his revolutionary doctrines; Zola seeking safety to continue his fight for Dreyfus had been preceded in his English sanctuary by Louis Philippe, who on the 1830 Revolution leaves Paris in a cab and takes his umbrella—he might have been an Englishman—and by Napoleon III; Mazzini, the great writer, idealist, republican, who has been called the soul of Italian liberty, and whom Meredith in his novel "Vittoria" describes as being "a deplorable half inch above the world we tread;" King Manoel of Portugal fled to England from revolution in his own country; so did King Alphonso of Spain; Haile Selassie found refuge there; even Lindbergh. (Applause).

Lindbergh had no doctrines to preach, but all these others were involved in political upheaval in their own countries, and many of them represented doctrines which were repugnant to the majority of the people who inhabited the British Isles. But democratic England says, "What has democracy to fear? Think what you like, preach what you like—by democratic methods. Our democracy is sound; its roots are firm; we have faith in it. Live and let live." (Applause).

This attitude of "live and let live," this belief in taking things as they come, has led to a suggestion that England's disposition is just to "muddle through." But it is only that this *seems* to some people to be the Englishman's attitude towards life. Part of the misconception is due to his instinctive tendency to an under-statement of what he really feels—even

when he is in love. He doesn't easily express indignation. He is slow to let his emotions carry him into action. He doesn't bleat, he doesn't shout —except at football matches. The North-countryman is supposed to be blunt. Blunt in word and blunt in action—even compared with other Englishmen. Yet time and again I have been present when some man might have been under severe criticism for something that he had done, but the only condemnation of the man that would find expression in speech would be: "Well, I don't want to say anything about him, but he will stand watching." The remark doesn't *say* much, but it has a wealth of meaning. Or perhaps the action itself that was being criticized would be summarized by the statement: "it isn't jannock"—meaning it isn't fair, it isn't honest, it falls below the accepted standard of conduct. All this is included in the comment: "it isn't jannock" and the brief statement also involves an expression of the speaker's own personal attitude.

We talk of Scottish humour, which turns largely on thrift, on canniness, some people say on "nearness." We talk about Irish wit, which tends to the clever twist towards the absurd. But if we analyse English humour don't we notice how it inclines towards just this same kind of under-statement, which in itself often makes the thing humorous, and how it tends to make light of troubles?

A very fat woman will get in an elevator (which, of course, she calls a lift) and as she does so, she grins and says: "An yo got room for two?" One of those already inside says: "That we an; get in missis." She grins. Everybody grins.

J. L. Hodson describes the Yorkshire woolcombers, who work in a temperature of 100° and talk of it as being good for "slimming." They even tell a story of one of the woolcombers who arrived late for his work one morning and found the factory gate shut. He crawled underneath the gate but couldn't drag his dinner can after him. (Laughter). Or there is the story of the Lancashire man who got into trouble in the south and was sentenced to fourteen days hard labour in the time of the treadmill. When he was put on the treadmill his only comment to the jailer was, "Ay lad, if we had this in Lancashire, we should have had it going by power before now." (Laughter).

Many of the miners of the present generation have permanently lost their ordinary livelihood through the introduction of oil burning ships, the development of hydro-electric power in many countries, and the exploitation of foreign coal fields. Many of the cotton factory workers can no longer find a full livelihood on account of the shifting of the cotton markets of the world. But by a sharing of available work, and by the addition of Unemployment Insurance payments, Lancashire, once the cotton factory of the world, still goes along in life with her tail up.

Other nations may see all this as muddling through, but that philosophical attitude towards life rests not on lethargy, not on indifference, but on courage. And although I have taken Lancashire and Yorkshire as examples, it is the same throughout the country, it is typical of England itself.

I could go on with illustration after illustration of this Mother Country of ours. Where in the world is there a cleanliness of sport that will surpass that of the Oxford and Cambridge boat race, with every man in each crew draining his last ounce of effort, just for the fun of winning?

England would forsake her supposed reputation of taking her pleasures sadly and would laugh out loud at the suggestion of a suspicion that the

boat race was not an absolutely clean race. Dean Inge tells a story of how he once asked a Rhodes scholar from the United States at the end of his first year what impressed him most at Oxford. The reply, after a minute's thought was, "Well, I think the thing that impresses me most is that here in these colleges there are three thousand young fellows and every one of them would rather lose a game than play it crookedly." (Applause).

Or where in history has there been a record that will surpass the British record of disinterested statesmanship? The very dignity and incorruptibility of the British House of Commons had its origins in a privileged class of men. These men might at times have found it difficult to identify themselves wholly with the worker, but they were nevertheless men of integrity. With the Tories in power, the Liberals thought them reactionary. With the Liberals in power, the Tories feared radicalism. But their honesty and sincerity was sound.

A few weeks ago the British Prime Minister was sixty-nine years old. He was given a birthday party and a present of a fishing rod and line, and as the presentation was made it was accompanied by the words, "We like you because you still blink at the limelight." Leaving aside any question of party politics, the traditions of British statesmanship are those of service and integrity.

And so gentlemen, if we recall how intangible are the bonds which bind us, how they depend on faith and trust and not on force, how perfectly they fit in with that Constitution of ours which is for the most part—and the most important part—unwritten; if we think of our democracy as bringing about a political evolution which has changed autocracy into complete control by the people; if we remember the freedom and liberty which goes with that democracy, and which even combines tolerance and security for the oppressed of other nations—a justification of our belief in right and not in might; if we remember the integrity of character in public life; if we mean, as we do mean, all these things when we say "allegiance"—then, gentlemen, the re-dedication of our loyalty is not a traditional gesture, it is a re-affirmation of something that is within us, and within us for all time. And St. George's Societies—not only this one but St. George's Societies all the world over—are not only giving relief and assistance to distressed brethren from the Mother Country, they are not merely traditionally following the banner of that Saint whose cross is blazoned on our national standard, they are not merely marking the anniversary of one of the bravest things done in the last war when, on St. George's Day, Sir Roger Keyes made the attack on Zeebrugge with his flags sending the message "St. George for England;" St. George's Societies to-day are not merely doing these things, they are still slaying dragons—dragons of distress, dragons of weakened faith, dragons of disaffection. St. George himself was buried abroad, but as someone has said of him,

> But ah, his heart's in England,
> In England, April England,
> His heart it dreams of England
> Where the golden willows grow.

(Applause).

THE ENGLISH-SPEAKING UNION

The English-Speaking Union is a non-partisan, non-sectarian organization of citizens of the British Commonwealth of Nations and of the United States of America. It does not concern itself with the internal politics of these nations. Membership is open to men and women alike. The Union was organized in London in 1918 by Lord Balfour, Sir Evelyn Wrench, the Hon. Walter Hines Page and other distinguished citizens of the British Commonwealth and the United States.

The fundamental purpose of the Union is to promote understanding between the English-speaking peoples of the world. It does not advocate or aim at formal alliances. Its Motto is expressed in these words:

"To draw together in the bond of comradeship the English-speaking peoples of the world."

In their free institutions, free speech, freedom of conscience and individual liberty, the world-wide British Commonwealth of Nations and the United States of America possess a great common heritage, which must be preserved and perpetuated. The Union exists to promote goodwill, comradeship, sympathy and respect between the peoples and the nations of the English-speaking world. The Union believes that there can be no lasting stability and no permanent peace in the world unless the English-speaking nations co-operate for the welfare of mankind.

His Majesty the King is Patron of The English-Speaking Union of the British Empire which has its headquarters at Dartmouth House, Berkeley Square, London, England. The Marquis of Willingdon is President. There are branches of The Union throughout Great Britain, Australia, New Zealand, Canada, The Bahamas, Bermuda and Malta.

The Hon. John W. Davis, former United States Ambassador to Great Britain, is President of The English-Speaking Union of the United States.

THE ENGLISH-SPEAKING UNION
(Canada)

Headquarters for Canada : Royal York Hotel, Toronto
Headquarters for Ontario Branch : 85 Richmond Street West, Toronto

Honorary President: H. E. Lord Tweedsmuir, g.c.m.g., c.h.
President: Mr. Vincent Price, k.c.

Honorary Vice Presidents:

The Hon. and Rev. H. J. Cody, m.a., d.d., ll.d.
Sir Robert Falconer, m.a., d.d., ll.d., k.c.m.g.
The Rt. Hon. Sir Wm. Mulock, p.c., k.c.m.g.
The Hon. W. R. Riddell, ll.d.
The Hon. N. W. Rowell, ll.d.
Sir Joseph Flavelle, bt., ll.d.
Lt.-Col. C. W. Rowley

Vice-Presidents:

Sir E. Wyly Grier, k.b., d.c.l.
Mr. W. C. Noxon
Mr. F. E. Robson
Mr. J. S. Dickson

Honorary Secretary: Mr. G. W. Wildblood Honorary Treasurer: Mr. T. R. Fleming
Honorary Auditor: Mr. F. E. Roberts
Chairman Programme Committee: Mr. F. D. L. Smith
Chairman Executive Committee: Mr. J. S. Dickson

Executive Committee:

Miss E. Ashdown
Miss C. Caldwell
Mr. John S. Dickson
Mr. Grey Hamilton, k.c.
Dr. E. A. Hardy, o.b.e.
Dr. Gordon Hyland
Mr. L. J. Lugsdin
Mr. W. P. Playter
Mrs. Vincent Price
Mrs. M. Rockwell
Mr. Mervyn D. Taylor
Mr. Oge Roewade
Mr. F. D. L. Smith
Mrs. G. B. Shaw
Mr. R. H. Strachan
Mrs. Wm. Storrie

Chairman Common Interests Committee: Miss Marshall Saunders, c.b.e., m.a.
Vice-Chairmen Common Interests Committee:
Mrs. Vincent Price
Miss Mabel Stoakley
Executive Secretary: Mrs. K. M. Bishop

DISPLAY
ADVERTISEMENTS

THE CHATEAU LAURIER

In Ottawa plan to stay at the Chateau Laurier. Close to Parliament Hill, shops and theatres, connected with the Union Station by private tunnel, and provided with every facility for your convenience and comfort — the Chateau Laurier is the ideal centre for a completely enjoyable stay in Canada's Capital.

For complete information ask any C.N.R. Agent or write Hotel Department, Ottawa.

Owned and Operated by

CANADIAN NATIONAL RAILWAYS

THE FORT GARRY

The Fort Garry, Winnipeg's finest hotel is conveniently located, one block from the Union Station and within three blocks of the business, shopping and financial districts.

Excellent accommodation and delicious meals are to be had at reasonable rates.

CANADA'S HOTELS OF DISTINCTION

CHATEAU LAURIER
Ottawa, Ont.

PRINCE ARTHUR HOTEL
Port Arthur, Ont.

THE FORT GARRY
Winnipeg, Man.

THE MACDONALD
Edmonton, Alta.

THE BESSBOROUGH
Saskatoon, Sask.

THE NOVA SCOTIAN
Halifax, N.S.

PRINCE EDWARD HOTEL
Brandon, Man.

THE CANADIAN NATIONAL HOTEL
Charlottetown, P.E.I.

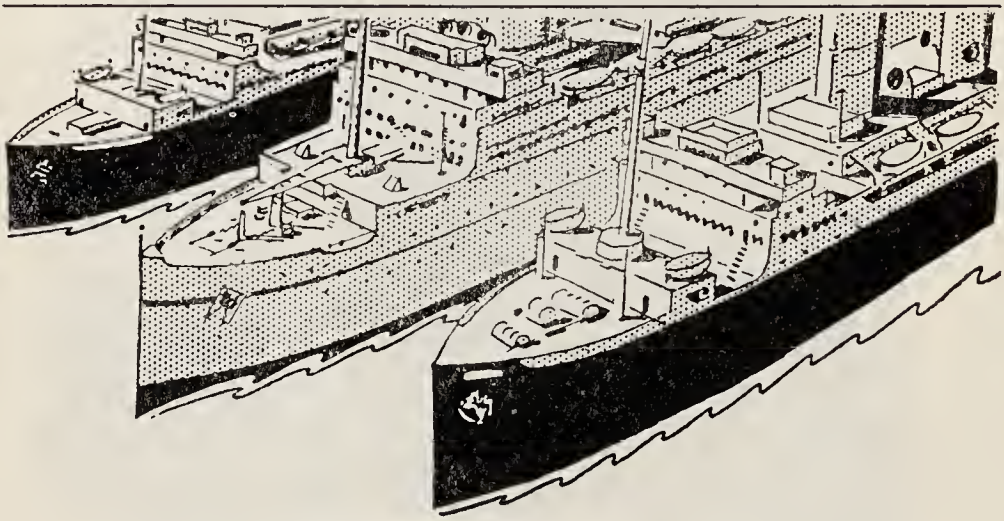
For complete information ask any C.N.R. Agent or write Hotel Department, Ottawa.

Owned and Operated by

CANADIAN NATIONAL RAILWAYS

CANADA'S GREATEST STEAMSHIPS

At Your Service



TRANS-ATLANTIC

Short, Smooth St. Lawrence Seaway

"39% Less Ocean" Route

Choose from the 9 largest ships sailing from Montreal and Quebec—majestic *Empresses,* stately *Duchesses* and the even lower-cost *Mont* ships.

TRANS-ATLANTIC CARGO SHIPS

BEAVERBRAE — BEAVERBURN — BEAVERDALE
BEAVERFORD — BEAVERHILL

These fast, modern freight ships, each 10,000 tons dead weight, operate on regular schedules.

TRANS-PACIFIC

White *Empresses* sail every two weeks from Vancouver and Victoria to Honolulu, Yokohama, Kobe, Nagasaki, Shanghai, Hong Kong and Manila.

CANADIAN AUSTRALASIAN LINE

Regular sailings from Vancouver and Victoria to Honolulu, Hawaii; Suva, Fiji Islands; Auckland, New Zealand; and Sydney, Australia.

Full information from your own Travel Agent or any Canadian Pacific Agent.

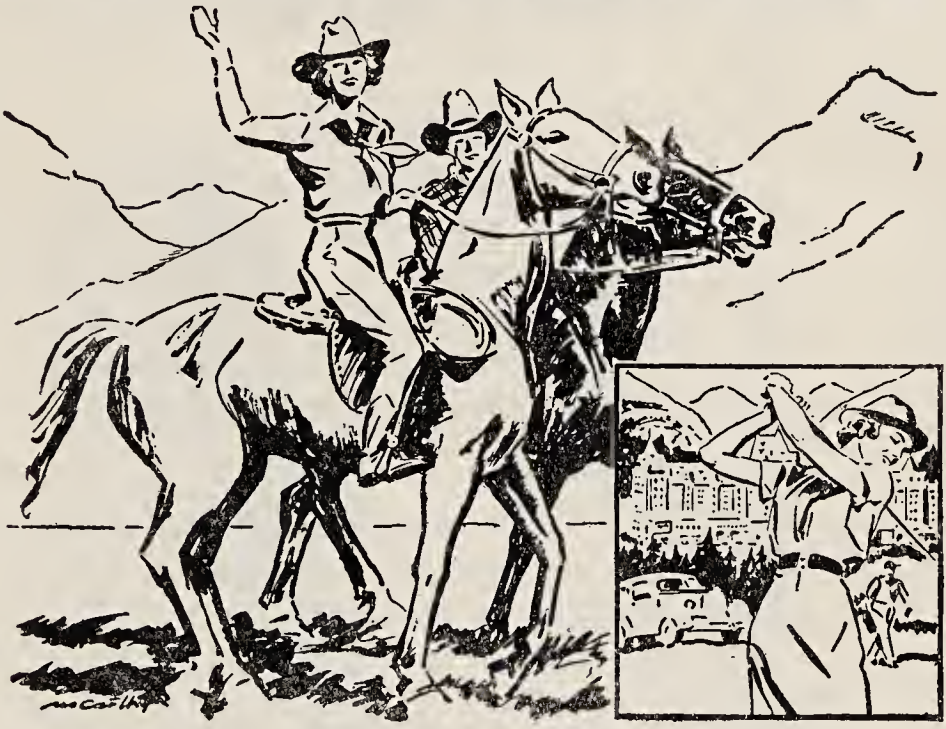
Canadian Pacific

WORLD'S GREATEST TRAVEL SYSTEM

Thrill to a Top-of-the-World Vacation

LAKE LOUISE **Banff** EMERALD LAKE

and the inspiring **COLUMBIA ICEFIELD**



Ride and hike on skyline trails—swim in sapphire lakes—climb snowy peaks—play championship golf on one of Canada's most famous 18-hole courses—motor from Lake Louise over the Columbia Icefield Highway, flanked all the way by mighty glaciers. So much to see, so much to do, and always as your ideal vacation headquarters the luxurious Banff Springs Hotel, the charming Chateau Lake Louise and Swiss-like Emerald Lake Chalet—open June to September.

For further information enquire at hotel office or any Canadian Pacific agent.

Canadian Pacific

Always Carry Canadian Pacific Express Travellers' Cheques . . . Good the World Over

APPEALING DIGNITY

Rates
$4.00
per day
and up.

The appealing dignity of its appointments and unobtrusive yet singularly efficient service, makes the Ritz-Carlton the favourite in Montreal with those accustomed to patronize the finest hostelries.

A guest of the Ritz-Carlton pays no more than for ordinary hotel service.

You will be comfortable and happy at the Ritz-Carlton.

THE
RITZ-CARLTON
MONTREAL

EMILE C. DES BAILLETS,
Man. Director.

THE
CANADA PERMANENT
BAY AND ADELAIDE STREETS, TORONTO
TRUST COMPANY

Directors

President
F. GORDON OSLER

1st Vice President and
General Manager
JOHN A. ROWLAND, K.C.

2nd Vice President
E. D. GOODERHAM

GEORGE W. ALLAN, K.C.
A. B. CAMPBELL, W.S.
F. S. CORRIGAN
GEORGE H. GOODERHAM
JOHN R. LAMB
CHARLES S. ROBERTSON
ROY L. WARREN

Manager
A. E. HESSIN

70

A permanent, responsible institution

CANADIAN SECURITIES

Dominion and Provincial
Government Bonds

Municipal Bonds

Public Utility
and
Industrial Financing

DOMINION SECURITIES
CORPORATION LIMITED

TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.

15 King Street West, Toronto

HELPING CANADIAN INDUSTRY

We believe the rate of growth of Canadian Industry will be relative to the rate at which new capital is supplied for its development.

We provide a financial link between the public and industry.

H. R. BAIN & CO.

Members
The Toronto Stock Exchange

BAIN BLDG. - 304 BAY ST., TORONTO

AD. 4271

H. R. Bain R. S. Newling G. T. Gayford J. Dumaresq Smith

F. J. CRAWFORD & CO.

MEMBERS
THE TORONTO STOCK EXCHANGE
WINNIPEG GRAIN EXCHANGE
CANADIAN COMMODITY EXCHANGE INC.

Eleven Jordan Street
TORONTO 2 - - CANADA

THE
MANUFACTURERS
LIFE
INSURANCE COMPANY

OFFERS
Protection For Them - Independence For You

If you die, Life Insurance will guarantee to your family the needs of life.

If you live, it will make you self-supporting in your old age.

This protection or independence can be procured only while you are in good health.

Act now before illness or accident can deprive you of your opportunity.

HEAD OFFICE
TORONTO, CANADA
Established 1887

BOARD OF DIRECTORS

President

T. BRADSHAW, F.I.A.

Vice-Presidents

C. W. I. WOODLAND
Vice-President—C.M. and G. Canadian Investments Limited, Toronto, Ont.

A. J. MITCHELL
President—Western Canada Flour Mills Co. Ltd., Toronto, Ont.

FRANK A. ROLPH
Chairman of Board—Imperial Bank of Canada, Toronto, Ont.

★

W. E. BUCKINGHAM, K.C.
Guelph, Ont.

C. L. BURTON
President, Robert Simpson Co. Limited, Toronto, Ont.

F. S. CORRIGAN
Vice-President & Gen. Manager, General Steel Wares Ltd., Toronto, Ont.

HON. G. S. HENRY, LL.D., M.P.P.
Toronto, Ont.

E. W. KNEELAND
President, Kneeland Grain Co. Ltd., Winnipeg, Man.

G. H. A. MONTGOMERY, K.C.
Brown, Montgomery and McMichael, Montreal, P.Q.

CHRISTOPHER SPENCER
President, David Spencer Ltd., Vancouver, B.C.

HON. L. A. TASCHEREAU, LL.D.
Quebec, P.Q.

W. B. TAYLOR, LL.B.
Toronto, Ont.

D. E. KILGOUR, M.A., A.I.A., F.A.S.
General Manager

NORTH AMERICAN LIFE

Solid as the Continent

ESTABLISHED 1887 · SOLID AS THE CONTINENT · A MUTUAL COMPANY

Head Office
TORONTO - CANADA

ALL PROFITS FOR POLICYHOLDERS

University of Toronto

The Provincial University of Ontario

Arts (including Sciences and Commerce), Medicine, Applied Science and Engineering, Household Science, Education (Ontario College of Education), Forestry, Music, School of Graduate Studies, Dentistry.

Arts Colleges: University College, Victoria College, Trinity College, St. Michael's College.

The School of Hygiene embraces the Department of Hygiene and Preventive Medicine, and the sections of Biometrics and Epidemiology and Physiological Hygiene. The Connaught Laboratories consist of Research, Antitoxin, and Insulin Divisions.

Special Departments: Social Science, University Extension, School of Nursing.

Federated Theological Colleges: Knox College, Wycliffe College, Emmanuel College.

Affiliated Colleges: Ontario Agricultural College, Ontario Veterinary College, Ontario College of Pharmacy, Ontario College of Art.

Other institutions controlled by the University: Royal Ontario Museum (in conjunction with the Provincial Government), Toronto Conservatory of Music.

University Extension offers the Pass Course for Teachers (and others), instruction being given in the evenings and in Summer Sessions; two-year diploma courses in Occupational Therapy, Physiotherapy, and Aerial Navigation; evening tutorial classes, extension lectures, short courses and correspondence courses.

The average annual enrolment in the University, apart from that in affiliated colleges and in extension courses, is approximately 8,000.

Address:

University of Toronto, Toronto 5, Ontario

School of Higher Commercial Studies

MONTREAL

Dean: DR. HENRY LAUREYS

This institution, founded in 1907, is entirely supported by the Provincial Government of Quebec, and affiliated to the University of Montreal, of which it constitutes the **"FACULTY OF COMMERCE."** This School is intended to give the preparation required by modern commercial conditions, and holds the relation to business and industry that schools of law and medicine hold to their respective professions.

The principal courses offered are: Political Economy, Commercial and Industrial Geography, Money and Credit, Public Finance, Statistics, History of Commerce, Civil and Commercial Law, Maritime Law, Industrial Law, Salesmanship, Banking, Insurance, Higher Accountancy, Business Organization, Corporation Finance, Advertising, Technology and the Study of Merchandise, Commercial and Actuarial Mathematics, Modern Languages, etc.

Degrees obtainable: Bachelor, Master and Doctor of Commerce.

For fuller information, apply to **THE DEAN.**

535 VIGER AVENUE - - MONTREAL

The

Canadian Annual Review

(CASTELL HOPKINS)

Established in 1901

An historical record of Canada's national affairs and external relations, accurate, impartial, with a wealth of information covering each year's development.

Prices of Back Volumes upon application

THE CANADIAN REVIEW COMPANY, Limited

1-9 Toronto Street, Toronto 2

800 PAGES

THE

Annual Financial Review

THE RECOGNISED AUTHORITY ON
CANADIAN SECURITIES

Published July of Each Year

Edited by W. R. HOUSTON

THE ANNUAL FINANCIAL REVIEW is a carefully revised summary of facts regarding securities listed on the Canadian Exchanges, and of other prominent companies incorporated in Canada.

It includes the Current Annual Statements of Companies; the highest and lowest prices of stocks and bonds on the leading Exchanges for each month for ten years; number of shares sold each month for the past eighteen months; rate of dividends paid for past years, and other important items in the history of the different Companies, such as increases in capital stock, particulars of franchises, when bonds are redeemable, dividends payable, together with a mass of other facts.

It comprises 1236 pages of solid information, well printed in a clear and concise manner, and is neatly bound in full cloth. The work is invaluable, not only to financial institutions, but also to the general investment public.

Price $15.00 Per Copy

Loose-Leaf Service $15.00 Per Year

HOUSTON'S STANDARD PUBLICATIONS

184 BAY STREET

TORONTO 2 - - - CANADA

1939 HEATON'S HANDBOOK 1939

Fits Any Top Drawer

Thirty-second Edition

Price $5.00
Continuation (3 yrs.) $3.50

"The National Desk-book"

Collects in handy form what Firms must know to do business in Canada

LET THE CONTENTS SPEAK

POSTAL and SHIPPING GUIDE. Showing railway connections from all Canadian Post-offices, and all railway stations.

DIRECTORIES. Manufacturers by Provinces, Towns and Products; Dominion and Provincial Government officials, Members of Senate and Legislatures; Steamship Companies, Railway officials; Boards of Trade.

COMMUNICATIONS. Postage rates and Regulations; Express Rates and Regulations; Money Transmission; Air Mail, routes and rates.

CUSTOMS, EXCISE AND SALES TAX. Full information as follows:
Special Index to Customs, including all decisions of Canadian Customs Board and customs rulings to date. Exemptions from Sales Tax and articles upon which values have been fixed indicated throughout. **Official Tariff**—Showing in five columns British preferential duties, Most Favoured Nation rates, French Treaty, intermediate and general tariffs. **Notes on Tariffs**—(Cross indexed) based on official memoranda and appraisers' bulletins. — Trade Agreement Schedules — Goods on which value for duty has been fixed. **Customs Laws and Regulations**—Complete summary. Authorized forms of invoices, etc. **Excise Duties and Taxes.** *The new Canada-U.S. Trade Agreement is incorporated with new rates, and exemptions from 3% excise tax, as they apply to individual imported products under Most Favoured Nation Agreements and the Canada-France Treaty.*

FINANCE and INSURANCE. The Bank of Canada. The Canadian system of Chartered Banks. Dominion and Provincial Public Accounts. Debits to Individual Accounts.

LAW. Incorporation of Companies; Security Frauds Prevention regulations; Bankruptcy; Patents, etc., Chattel Mortgages; Registration Offices for Chattel Mortgages and Deeds, Moratoria, Advertising, Unfair Competition, and Minimum Wage Laws. Selected Law Firms.

TABLES. Sterling and Foreign Exchange. Foreign Currencies. Investment. Insurance Rebates. Discounts, Weights, Measures (British and Foreign). Conversion Tables.

TAXATION. Income Taxes, Dom. and Prov.; Stamp Tax, Provincial Taxes, Succession Duties; Dom. and Prov. Sales Taxes, Excise Taxes.

TRANSPORTATION. Ocean Steamship Lines with routes; Customs Brokers.

NATURAL RESOURCES. A Ready Reference for each Province in Encyclopedic form: Agriculture, Fisheries, Forests, Mining, Waterpowers.

CITIES and TOWNS. Full descriptions, including population, banks, shipping, public utilities, institutions, industries, hotels in order of merit, officials, etc.

MARKET FACTORS. A comprehensive analysis of the Canadian Markets and population; zoned by provinces, and principal cities with suburbs. *Most valuable and interesting.*

ADVERTISING. Newspapers and publications with circulation and advertising rates. Advertising agencies with personnel.

MAPS. Sectional routing maps (3 colours) nine Provinces.

THE HEATON PUBLISHING CO.

431 KING ST. WEST, TORONTO 2

THE CANADIAN ALMANAC

Published Annually Since 1847

A Comprehensive Directory of Canadian Affairs, invaluable in every office

The Canadian Almanac is completely revised each year and is published annually about January 1st

Principal Contents

DOMINION AND PROVINCIAL GOVERNMENTS, LEGISLATORS,
PRINCIPAL DEPARTMENTAL OFFICIALS
CUSTOMS AND EXCISE TARIFF
POST OFFICES AND RAILWAY STATIONS AND SHIPPERS' GUIDE,
DIRECTORIES OF BANKS AND TRUST AND LOAN COMPANIES,
NEWSPAPER AND MAGAZINE DIRECTORY
POPULATION OF CITIES, TOWNS AND VILLAGES
LEGAL DIRECTORY OF PRACTISING LAW FIRMS
JUDGES, COURT OFFICIALS, ETC.
ASTRONOMICAL INFORMATION, PATENTS, COPYRIGHT,
INCOME TAX, CANADIAN HONOUR LIST, RELIGIOUS
DENOMINATIONS, EDUCATIONAL INSTITUTIONS,
BRITISH EMPIRE, BRITISH GOVERNMENT, ARMY,
NAVY AND AIR FORCE,
ETC., ETC.

Price $6.00 Net

With Coloured Map of Dominion

For Sale by all Booksellers, or from the publishers

PUBLISHED BY

The COPP CLARK COMPANY LIMITED

TORONTO 2, ONTARIO

INDEX OF NAMES

Abbott, Dr. Maud, 302
Aberhart, Hon. William, 67, 75, 85-6, 335-39, 343, 348-50, 352-54, 357-58, 360, 365, 397, 522
Ackhurst, C. W., 437
Acres, A. H., 209, 212, 230, 234-35, 240
Adams, Clayton, 366
Adamson, Mrs. Agar, S132
Ainley, H. D., 352
Aird, Sir John, S84-9
Aldrich, L. E., 539
Alexander, Dr. E. J., 454
Alexander, G. J., 413
Alexandra, H. M. Queen, S141
Allaire, Rev. Siste, 302
Allan, Prof. A. B., 246
Allan, A. H., 645
Allan, R. M., 136
Allen, David J., 389
Allen, K.C., J., 88, 389
Allen, Hon. L. R., 461, 468
Allward, Walter S., 187-88
Alphonso, H.M. King, S143
Althouse, Prof. J. G., 246
Amos, Dr. W. W., 334
Anderson, Hon. C. W., 437
Anderson, E. J., 235
Anderson, F., 357
Anderson, H. C. E., 398
Anderson, H. W., 156
Anderson, Dr. J. T. M., 314
Anderson, R. K., 25
Anderson, Hon. W. S., 444, 452, 459
Andison, R. A., 366
Andrews, J. Vian, 437
Anthes, L. L., 324
Archambault, Hon. J., 156
Armitage, Rev. W. R., 249
Armour, Norman, 114, 185
Armstrong, C. H. A., S132
Armstrong, Edward, 375
Armstrong, J. E., 132
Armstrong, Louis S., 83
Arthur, Prof. E. R., S132-33
Arthurs, James, 9, 25, 57
Ashdown, Miss E., S146
Ashenhurst, T., S83
Ashton, Maj.-Gen. E. C., 178
Ashton, Prof. H., 407
Asselin, Edouard, 304
Asselstine, W. J., 398, 413
Atkin, Lord, 88-91
Attwood, Charles H., 389
Auger, Hon. H. L., 285, 304
Auld, Dr. F. H., 324, 334
Authier, Hector, 275, 278-79
Avery, F. H., 212
Avery, Dr. O. T., 302
Aylesworth, Hon. Sir A. B., 29

Babcock, Dr. J. P., 407
Bachand, Robert, 161-62
Baird, Dr. Frank, 428
Baird, W. A., 212, 220, 235, 240
Baker, A. G., 251
Baker, C. C., 465
Baker, Hugh C., S109
Baker, J. D., 366
Baker, R. D., 526
Bakewell, Ernest, 396, 401, 405
Balcolm, Dr. A. B., 415, 421
Baldwin, F. W., 432
Baldwin, Martin, S132
Baldwin, Rt. Hon. Stanley, 170-71, 173-76, 656
Balfour, Lord, S146
Ball, Alfred, 586
Ballantyne, C. C., S60
Balls, George H., 389
Bannister, Arthur, 442-43
Bannister, Daniel, 442-43
Bannon, Basil, 268
Barbeau, Marius, S127
Barber, H. J., 116
Barbour, Arthur W., 459
Baribeau, J. L., 156-58
Barlow, Rt. Hon. Sir M., 363
Barnes, Rt. Rev. E., 170
Barnes, S. A. G., 357
Barnett, John, 557
Barnstead, Arthur S., 437
Barre, Laurent, 276
Barrett, Dr. W. T., 392
Barss, Rev. G. P., 430
Barton, George S. H., 166, 178, 559
Barry, Judge J. A., 458
Bastien, Hon. Cleophas, 278, 282
Bates, Stewart, 415
Bath, Percy A., S105
Baudet, N. R., 9
Baxter, Hon. J. B. M., 163-64, 438, 441-42
Beatteay, C. Allan, 615
Beatty, G.B.E., Sir Edward, 132, 177, 250, 453, 616-17, 625-26, S2-S40, S113
Beatty, Prof. S., 246
Beaubien, A. L., 129
Beaubien, Mme. L. de G., 302-03
Beaubier, D. W., 130
Beauchesne, C.M.G., LL.D., K.C., Arthur, 50, 166
Bedard, A. R., 59
Beham, Bartel, S130
Beique, Hon. F. L., 628, S38
Beique, Hortensius, 277
Beland, H. S., 57
Belanger, A., 212, 240
Belec, Charles, 25
Bell, Adam, 413
Bell, Douglas, 462
Bell, Thomas, 156-58
Bell, Dr. W. J., 259
Bennett, K.C., LL.D., Rt. Hon. R. B., 1-10, 12-3, 15-9, 26-31, 33-4, 37-41, 44-6, 49-56, 59-62, 64, 68-70, 87, 91-6, 98, 105-07, 113, 116-21, 130, 180-83, 191, 197-98, 279, 312-13, 337, 393, 395, 428, 442, 512-13, 522, 564, 584, 611, 617, 658
Benoit, R. A., 304
Beriau, J. Oscar, 283
Bernier, Hon. Alphonse, 303
Bertrand, Hon. C. A., 282, 284
Bertrand, E. O., 99, 119
Bessborough, H. E., Rt. Hon. the Earl of, 2, 57-8, 178, 225-26, 407
Bessborough, H.E., the Countess of, 178, 226
Best, D.Sc., C. H., 246
Beynon, W. A., 25
Bickerton, G. R., 327
Biddulph, R. V., 563
Bienvenue, Valmore, 283
Bigelow, Dr. H. E., 153
Bigelow, Hon. H. V., 159
Bigue, William, 295
Bilodeau, Hon. J., 285, 300, 304, 636
Binnington, D. S., 557
Bird, W. J., 421, 432
Birkenshaw, J. H., S115
Birks, W. M., S102, S113
Birrell, Augustine, S138
Bishop, Col. Arthur L., S94, S132
Bishop, Mrs. K. M., S146
Bishop, W. L., 631
Black, Hon. F. B., 56, 127
Black, Hon. George, 10, 58
Black, Henry, 177
Black, Percy C., 426
Black, W. A., 10, 628, S17, S39
Black, M.P., W. D., 241, 600, S82
Blackburn, Russell, S102
Blacklock, R. F., 334
Blackmore, J. H., 84, 99
Blackwood, Alexander, 334
Blaine, T. R., 366
Blair, F. C., 167
Blake, William Hume, S127
Bland, Charles H., 152, 166
Blaylock, Dr. Selwyn G., 586, S50
Blefgen, T. F., 366
Bliss, Gordon, 272
Blois, Ernest H., 437
Blondin, Hon. P. E., 58
Blount, C.M.G., A. E., 166
Blunt, Rev. Alfred, 170-71
Boiteau, Emile, 286
Boivin, M. Ernest, 162
Booth, Dr. J. F., 559
Bonin, Paphnuce, 295
Bonter, C. C., 636
Borden, Rt. Hon. Sir Robert, 69, 187
Bothwell, C. E., 41, 128
Bouchard, Hon. T. D., 274, 277-78, 280-83, 286-87, 300
Boulanger, Oscar, 156-58
Bourassa, Henri, 18-9, 31
Bourgeois, S42
Bourgeois, Charles, 9
Bourke, G. W., S113
Bourque Hon. J. S., 285, 304
Bovey, Col. Wilfrid, 73, 302, 654

Bow, Dr. M. R., 366
Bowen, Hon. J. C., 365
Bowlen, J. J., 354, 357
Bowman, James L., 10-1, 369
Bowman, T. E., 273
Boyce, Dr. Harold A., 208
Boyer, Hon. Arthur, S129
Boyer, J. U., 521
Boyes, Frank, 25
Bracken, Hon. John, 368-73, 379-80, 389, 586
Braden, Rev. E. D., 162
Bradley, P. S., 468
Bradshaw, Thomas, 394, 399
Bradwin, E. W., 498
Branch, C. S. V., S113
Brennan, F. J., 526
Brett, George P., S126
Bridges, Hon. H. F. G., 448, 459
Bridgman, E. H., 413
Bridle, Augustus, S127
Brigden, George, 614
Bristol, J. R. K., S83
Brittain, Dr W. H., 302
Brock, Prof. Reginald W, 407
Brockington, L. W., 73, 654, 657
Brodie, Miss Jessie, 246
Bromley, Rear-Admiral A., 5
Brooke, Rupert, 189
Brookfield, Dr. J. S., 453
Bronson, F. E., 167
Brown, Audrey Alexandra, S127
Brown, Arnesby, S130
Brown, Hon. A. J., 646
Brown, Lieut.-Col. Claude, 75
Brown, Eric, S129
Brown, Prof. E. K., 388
Brown, Dr. F. W., 302
Brown, F. C., 599-600, S82
Brown, G. A., 273
Brown, Hon. George, 239
Brown, Hon. J. T., 98, 313-314
Brown, S. B., S83
Brownell, G. M., 586
Brownlee, Hon. J. E., 335, 340-41, 346
Brownlow, Lord, 172
Bruce, Col. the Hon. H. A., 210-11, 222-23, 225-28, 237-38, 241, 267, 272, S132
Bruce, Hon. Randolph, 76, 184
Bruce, R. R., 60
Brugere, Raymond, 185
Bruhn, R. W., 401
Bruyn, Bartholomaus, S130
Bryant, Arthur, S141
Bryce, Rt. Rev. Peter, 248
Bryson, Hon. George, 288, S102
Buccleuch, Duke of, 169
Buchan, John (see Tweedsmuir), 178
Buck, Tim, 67
Buckerfield, E. E., S94
Buller, Prof. A. H. R., 388
Bulmer, C. F., 273
Burchette, Frank, S43
Burpee, L. J., S127
Burro, K. J., 638
Burrell, Hon. Martin, 166, S127
Butler, R. A., 5
Byng of Vimy, General, Lord, 190
Byrne, N. W., 586

Cahan, K.C., Hon. C. H., 9, 37, 46-7, 57, 121, 144, 164
Cahn, Sir Julian, S135
Cairns, V.C., Hugh, 187
Cain, W. C., 273, 575
Caldwell, Miss C., S146
Caldwell, Brig. Clyde, 132
Callaghan, Morley, S127
Callahan, C. H., 647
Callander, Prof. T., 249
Cameron, Prof. A. T., 589
Cameron, J. A. C., 206
Campbell, Basil B., 67
Campbell, Hon. C. A., 10, 273
Campbell, Charles E., 349
Campbell, Hon. D. L., 371, 374, 389
Campbell, D. M., 212, 235
Campbell, E. G., 432
Campbell, F. J. H., 250
Campbell, Hon. John A., 461, 468
Campbell, Joseph, 421
Campbell, J. H., 166
Campell, Rt. Rev. M. A., 248
Campbell, P. S., 434, 437
Campbell, Robert, S124
Campbell, Hon. Thane A., 461-62, 464-68
Campbell, Mrs. W. R., S132
Campney, Ralph O., 167, 636
Camsell, Dr. Charles, 166, 178, 388, 586, 591, S118-25
Cannon, Hon. L. A. D., 88-91, 250
Cannon, Hon. Lucien, 92
Cantley, Col. Thomas, 9
Cardin, Hon. P. J. A., 69, 144, 166
Carignan, Hon. Anatole, 304
Carman, Dr. Albert R., 454
Carmichael. A. M., 28
Carmichael, Harry J., S101
Carpenter, A. A., 366
Carpenter, H. S., 334
Carpenter, George E., S83
Carr, H. N., 212, 235
Carrel, Hon. Frank, 279, 286
Carroll, Justice W. F., 420
Carruthers, Prof. W. A., 406
Carruthers, George S82
Carter, Dr. N. M., 589
Cartwright, Dr. Mabel, 248
Casgrain, Leon, 280, 282-83
Casgrain, Hon. P. F., 37, 47, 93, 166
Castonguay, Jules, 166
Cathcart, H., 413
Caverhill, P. Z., 575
Cawthra, W. H., S132
Challies, G. H., 208, 212, 215, 231
Challies, J. B., 591
Chaloult, Rene, 287
Chamberlain, Neville, 171
Chant, Prof. C. A., 246
Chant, Hon. W. F., 352, 365
Chapais Hon. Joseph A. T., 178
Chapais, Hon. Sir Thomas, 286, 303, 304
Charlesworth, Hector, 129, 654, S127
Charlesworth, L. C., 366
Checkley, Harry, 271
Chevrier, L. R. E., 92
Chisholm, Col. G. T., S105, S108
Chisholm, Hon. J. A., 177, 430
Choquette, Fernand, 280
Christie, Loring, 77, 650
Church, T. L., 10
Churchill, Winston, 171
Clandening, 92
Clark, Dr. A. B., 388
Clark, J. H., 212
Clark, Dr. W. C., 9, 166, 178, 249-50, 651
Clark, W. G., 442
Clarke, Dr. Joseph A., 349, 615
Clarke, W. McL., 128
Clarkson, G. T., 206
Cleaver, John, S43
Cleveland, E. A., 407, 591
Clubb, Hon. E. R., 371, 389
Clysdale, W. G., 209
Coats, F.R.S.C., F.S.S., (Hon.) Dr. R. H., 44, 166, 612
Coburn, Dr. S. F., 303
Cochran, H. E., 526
Cochrane, Rev. J. C., 248
Cockroft, Hon. Charles, 75, 341, 352, 354-55, 365
Cockshutt, C. Gordon, S94
Cockshutt, Col. Henry, S16, S17, S39
Coderre, Louis, 304
Cody, LL.D., Rev. H. J., 247, 251, 361
Cody, Rev. M. M., 431
Coghlin, B. W., 600, S82
Coldwell, M. J., 97-8, 130, 314
Coleman, D. C., 132, 628, S16, S17, S38-39
Coleman, E. H., 166
Collier, W. T. K., 526
Collins, John, 207
Collins, Dr. W. H., 247
Collip, Dr. James B., 388
Colpitts, L. M., 365
Colquhoun, LL.D., A. H. U., 244
Comeau, Hon. J. W., 437
Common, W. B., 207
Conant, Hon. G. D., 273
Connell, Dr. Hendry C., 249
Connell, Rev. Robert, 396-398, 401, 403
Connelly, Mark Matthew, 397, 403
Connolly, Harold, 419, 427
Connor, James M., 269
Connors, Hon. Frank L., 279, 282
Coolican, P. T., 651
Coonan, Hon. T. J., 285, 304
Cooper, Col. J. A., 206
Coote, G. G., 25, 27, 75
Cosgrave, Rev. F. H., 248
Cote, Hon. P. E., 83, 278, 282, 285
Cotnam, I. D., 57
Cottingham, Herbert, 389
Cottingham, W. R., 389
Coughlin, J. J., 206
Coulter, Rev. James, 248
Covert, Hon. W. H., 422, 425-26, 437
Cowan, Albert, 272
Cowan, Mary, 272
Cowan, W. D., 10

Cowley, A. T. N., 651
Coventry, A. F., S132
Coverdale, W. H., 646
Cox, Hon. Charles W., 203, 205, 229-30, 234-35, 272
Cox, H. H., 464
Craick, W. A., S83
Craig, H. A., 366
Craig, J. A., 413
Craig, R. W., 156
Crake, J. E., 248
Cranach, Lucas, S130
Crang, Miss Margaret, 352
Crawford, A. W., 273
Crawford, J. E., 240
Crerar, Hon. T. A., 69, 73, 86, 123-24, 132, 147, 166, 563, 583-84, 586
Crocket, Hon. O. S., 88-91
Croll, Hon. D. A., 195-96, 202, 225, 233, 237, 258, 261, 262-63, 268, 272
Croome, Randolph A., 240
Cross, Hon. E. W., 263, 273
Cross, Hon. W. W., 341, 352, 365
Cudmore, S. A., 612
Culliton, Hon. E. M., 333
Cummings, H. L., 202, 273
Cunningham, F. J., S113
Cunningham, Howard, 418
Cunningham, J. H., 420
Currie, Sir Arthur, 187, 302
Currie, Lady, 187
Cusson, Victor, 631

Dale, Sir H. H., 246
Dalton, Hugh, S83
Daly, B. L., 624
Daly, E. J., 160
Dandurand, Hon. Raoul, 29, 69, 78-79, 126-27, 166 185, S113
Darby, A. E., 130
Davidson, George R., 372
Davies, M. L., 615
Davis, Elmer, 617
Davis, Hon. Frank R., 437
Davis, Hon. H. H., 88-91, 341, 505
Davis, J. C., 372
Davis, Hon. John W., S146
Davis, Hon. T. C., 55, 313-14, 317-18, 323, 333
Davis, T. I., 246
Davison, Dr. R. O., 334
Dawson, Dudley, 521
Dawson, Dr. G. M., S121, S123
Dawson, J. D., 161
Dawson of Penn, Lord, S142
Deacon, Col. F. H., 614
Dean, Harry, S135
DeBlois, Hon. G. D., 462, 464-65, 468
Defries, Dr. Robert, 246
Delage, Cyrille F., 178, 304
de la Roche, Mazo, S127
Denis, J. A., 10
Denis, Dr. M. T. C., 303
Denison, W. W., 273
Dennis, Carl D., 437
Dennis, Hon. W. H., 462, 464, 468
Deschamps, Rev. E. A., 188
Deslauriers, Hermas, 131
Desmeules, A., 304
Desrochers, Felix, 166
Desrosiers, W. J., 352
Devlin, C. D., S115
Dewan, Hon. P. M., 212, 235, 273
DeWitt, N. W., S127
Diamond, R. W., 586
Dickens, C. H., S118
Dickenson, F. L., 557
Dickie, C. H., 57
Dickson, J. B., 459
Dickson, J. S., S146
Dickson, W. M., 166
Diefenbaker, J. G., 314
Dingee, George W., 455
Dingman, C. W., 366
Dinning, R. J., 366
Diocletian, 188
Dionne, Oliva, 225
Dionne, Mrs. Oliva, 225
Dionne Quintuplets, 225
Dixon, A., 413
Doak, A. E., 98, 313-14
Dobson, S. G., 521
Dodds, Jackson, 219, 303, 521
Dolan, Leo, 613, 635-36
Dolbec, J. A., 286
Dollfuss, S142-43
Donnelly, Hon. J. J., 127
Doone, J. J. Hayes, 449
Dorion, C. N., 11
Dorion, Hon. Edouard, 303
Dougherty, C. L., 442
Doughty, Arthur G., 178
Douglas, Major C. H., 335-38, 348, 350-51, 353-54, 360
Douglas, Dr. L. W., 302
Douglas, Rev. T. C., 99, 107, 116, 131
Draper, Brig.-Gen. D. C., 206
Drever, Colin, S132
Drew, Lt.-Col. George A., 209, S132
Dreyfus, S143
Drouin, Hon. J. O., 274-80, 285-86, 304
Drummond, Sir George A., S129
Drynan, W. R., S82
Dubee, Patrick, 631
Dubuc, A. E., 636-38
Duchastel, J. A., 637
Duckworth, E. E., S113
Duckworth, William, 231, 235
Duclos, Arnold W., 167
Dudley, Sir William, 295
Duff, Rt. Hon. Sir Lyman P., 69, 82, 88-91, 250, 302, 430
Duff, William, 43, 92, 206
Duffy, William, 275
Dufresne, A. O., 304
Dugas, Lucien, 277, 279
Duggan, D. M., 336, 343, 346, 349-50, 353, 356-57
Dumaine, Cyrille, 279
Duncan, Mrs. L. C., 388
Dunham, Mabel, S127
Dunlap, D. A., 246-47
Dunlap, Mrs. D. A., 246-47
Dunlap, Moffat, S132
Dunn, Hon. C. M., 322, 333
Dunn, W. F., 334
Dunning, Hon. Charles A., 63, 69-71, 74-5, 84-6, 92, 99, 100-07, 115-16, 124, 126, 130, 155, 166, 338, 499, 563, 615
Dunwoody, H. H., 389
Duplessis, Hon. Maurice, 274-76, 278-81, 283-87, 304
Dupré, Hon. Maurice, 9, 68
Duquette, Charles, 557
Duranleau, Hon. Alfred, 8, 47-8, 302
Durling, S. E., 442
Dussault, Hon. Bona, 285, 304
Dysart, Hon. A. A., 438-40, 442-50, 453, 459
Dysart, Hon. Andrew K., 159
Dyson, Sir Frank W., 246
Dwyer, Hon. Michael, 416-17, 420-21, 424, 428, 437

Eakin, W. R., 644-45
Eayrs, Hugh S., S126-27
Eayrs, W. S. L., S128
Edgar, Prof. Pelham, S127
Edward VII, His Majesty King, S141
Edward VIII, His Majesty King, 2, 72-3, 80-2, 93, 125, 133, 169-78, 180-81, 183, 186, 188-90, 226, 279-86, 320, 353, 378, 400, 420, 426, 448, 465, 656, S19
Edwards, Alex. M., 156-58
Edwards, Lt.-Comm. C. P., 167
Edwards, W. Stuart, 166, 178
Egbert, Dr. William, 351
Elibank, Viscount, 76
Elie, Hon. Antonio, 285, 304
Elizabeth, H.M. Queen, 177
Elkins, W. H. P., 177
Elliott, C. Fraser, 139-40, 166
Elliott, Miss Ellen, S127-28
Elliott, Hon. J. C., 69, 166, 628
Ellis, Arthur, 208-09, 212, 234, 238
Ellis, Prof. J. H., 374
Ellsworth, A. L., S102
Ellsworth, Rev. G. R., 468
Enderby, T. R., 646
Ernst, Hon. William G., 8, 9, 68
Esher, Viscount, S141
Esling, W. K., 25, 27, 99
Estey, Hon. J. W., 307-09, 321, 333
Ettinger, John G., 250
Euler, Hon. W. D., 6, 47, 69, 74, 98, 129, 166, 562-63, 611
Evans, Arthur H., 53-5
Evans, J. H., 389
Evans, Nevill N., 302
Evans, W. Sanford, 369, 376, 379-80, 388
Eve, Dr. A. S., 302
Ewing, Hon. A. F., 340
Eworth, Hans, S130

Factor, Samuel, 156-58
Fair, Robert, 130
Fairbairn, James B., 273
Fairley, Prof. Barker, 246
Fairweather, Hon. J. H. A. L., 453
Fairweather, S. W., 618-19
Falconbridge, K.C., John D., 251
Falconer, Sir Robert, 324, S127, S146
Fallis, Rev. G. O., 188
Fallis, Mrs. Iva C., 9
Fallow, Hon. W. A., 352, 356, 365
Farmer, S. J., 368, 378-79
Farquharson, Prof. R. F., 246

Farris, K.C., J. W. deB., 88
Faulkner, M.D., Hon. J. A., 224, 242, 259, 272
Fauteux, Dr. Aegidius, 303
Ferdinand, Archduke, 188
Ferguson, Alexander, 637
Ferguson, Hon. G. Howard, 5, 70, 181, 184
Fielding, Major P. S., 468
Findlay, Robert C., 51, 562
Finlayson, E. H., 575
Finlayson, George D., 166
Finlayson, Prof. J. N., 388
Finlayson, William, 230
Finley, W. C., 631
Finn, Dr. D. B., 589
Finn, Hon. R. E., 131
Firstbrook, John, S115
Fiset, Sir Eugene, 187
Fisher, A. E., 334
Fisher, Hon. M. B., 285, 287, 304
Fisher, Hon. R. G., 199
Fisher, R. M., 389
Fisher, Hon. Sydney, S129
Fitzroy, Capt. Edward A., 172-73
Flavelle, Sir Joseph, 266, 654, S146
Flint, Rt. Rev. C. W., 248
Fleming, T. R., S146
Fletcher, Dr. R., 389
Floud, Sir Francis L. C., 171, 185
Forand, Hormisdas, 161
Forest, Hon. Alfred, 161-62
Forester, J. H., 397, 403
Forrest, Dr. W. D., 418
Fortin, Emile, 9
Foster, Miss Ann, S128
Foster, Arthur, 304
Foster, Charles J., 273
Foster, R. Leighton, 262
Foster, Hon. W. E., 130, 442
Foster, W. W. V., 449
Fox, Dr. Stanley J., 371
Found, William A., 166
Fournier, Sarto, 94, 99
Fowler, F. O., 130
Fowler, Dr. W. J. R., 303
Fox, Dr. Sherwood, 250
Francoeur, Hon. J. N., 278
Franks, H., S105, S108
Fraser, Mrs. David, S132
Fraser, J. A., 25
Fraser, Lt.-Col. J. D., S102
Fraser, J. Fred, S102
Freeborn, John W., 230
Frigon, Augustin, 654
Frost, Cecil, 209
Fulford, George T., S132
Fullerton, C. H., 273
Fullerton, Hon. C. P., 132, 645
Fyfe, Prof. W. H., 249

Gaby, F. A., 270
Gagnon, L. P., 368
Gagnon, Hon. Onesime, 8-9, 68, 285, 287, 304
Gagnon, Hon. Wilfrid, 282-83, 285, 624
Gagnon, W. J., 73
Galbraith, C. T., 60
Gale, G. Gordon, 591
Gallagher, Charles V., 242
Gallant, Cyriac, 468
Gallant, Hon. Marin, 461, 468
Gallie, Dr. W. E., 246
Ganong, James E., 640, S115
Gardiner, LL.D., Hon. James G., 6, 55, 64, 69, 71, 73-74, 87, 92, 117-18, 166, 187, 305, 308, 313-14, 316-17, 551-52, 563
Gardiner, Robert, 25, 28, 360
Gardner, Hon. L. C., 437
Garland, E. J., 31
Garland, W. S., 57
Garneau, Sir Georges, 303
Garson, Hon. Stuart S., 371, 389
Gaudet, Alexandre, 275
Gaudreau, Dr. Stanislaus, 302
Gauld, Judge J. G., S82
Gault, C. E., 276, 279-80
Gault, M. H., S111
Gauthier, Pierre, 92
Gauvrea, Charles, 9
Geary, Hon. G. R., 8-9, 46, 68
Gefaell, J. E., 539
Gendron, Hon. L. H., 8-9, 68
Geoffrion, K.C., Aimé, 88
Geoffrion, L. P., 304
George V, H.M. King, 2, 5, 11, 69, 72-3, 76, 93, 110-11, 168-70, 176-78, 180-81, 204, 223, 225-27, 277, 279, 286, 320, 353, 378, 400, 426, 448, 465, 655, S7-8, S19, S141-42
George VI, H.M. King, 2, 82-3, 177, 179, 181, 286, S146
George, Rt. Hon. David L., 178-79
Gershaw, F. W., 25
Gervais, Hon. Cesaire, 282, 285
Gibb, Sir Alexander, 119
Gibson, Arthur, 250
Gibson, Roy A., 167
Gilbert, Col. Oscar, 83
Gill, Miss Jean, 468
Gillies, D. B., S83
Gilman, W. B., 455
Gingras, Gustave, 161
Girouard, Dr. James, 285
Giroux, L. A., 352
Glaser, Vaughan, 60
Glass, John J., 237
Glendinning, Rev. J. A., 430
Gloucester, H.R.H., Duke of, 169, 173-74, 190
Gloucester, H.R.H., Duchess of, 169
Glover, C. A. W., 389
Gobeil, Hon. Samuel, 8, 9, 25, 68
Godhout, Hon. Adelard, 179, 281-86, 302-03
Godfrey, J. W., 73, 654
Godfrey, John M., 205-06, 218
Goldie, A. R., S82
Gonthier, Georges, 166, 250
Gooderham, Col. A. E., 177
Goodlake, Capt. T., S83
Gordon, A. St. Clair, 228, 273
Gordon, Rev. Charles W., 178
Gordon, Sir Charles, S17, S39
Gordon, Hon. George, S102
Gordon, H. F., 558
Gordon, J. K., 92
Gordon, K.C., Hon. Wesley A., 9, 68, 496, 582-83
Gouin, Sir Lomer, 279
Gouin, Paul, 275, 278, 280, 284
Gouinlock, R. W., 192
Gould, R. W., S83
Gould, Rev. Cannon Sydney, 248
Gourlay, T. M., 208
Grant, H. C., 9, 95, 561
Grant, Trevor H., 268
Gravel, Rev. J., 250
Graves, R. R., S128
Graves, T. F., 59
Gray, Hon. A. W., 413
Gray, F. W., 415
Gray, George S., 649
Gray, J. M., 649
Gray, K.C., W. S., 88
Graydon, Gordon, 99
Green, J. Fred, S132
Greenshields, Hon. R. A. E., 49, 302
Gregoire, Joseph E., 177, 179, 278, 285-86
Grey Owl, S127
Grier, Sir E. Wyly, 178, S146
Griffith, E. W., 413
Griffiths, D. W., 636
Griffiths, Hon. I. B., 368, 371, 389
Groom, H. M., 443
Grosch, S. P., 307, 334
Grover, George, 206-07
Grubb, H. B. Dunnington, S132
Guertin, Aime, 276-77
Guillet, E. C., S132
Guimont, Ernest, 302, 521
Gunning, James R., 242-43
Guthrie, K.C., Hon. Hugh, 8, 35, 36, 49, 53, 55, 57 98, 163, 167, 313

Habel, J. A., 235
Hackett, J. T., 18
Haig, J. T., 9
Hale, Katherine, S127
Haley, Robert, 207-08
Halifax, Viscount, 172-73, 175, 177
Hall, A. G., 161
Hall, H. Q., 455
Hall, Grant, 628, S16
Hall, Hon. W. L., 417
Hamber, Hon. Eric W., 393, 402, 413
Hambleton, J., 636
Hamel, Dr. Philippe, 274, 278, 281, 285-87
Hamilton, C. M., 555
Hamilton, Grey, S146
Hammond, H. C., S105, S108
Hammond, M. O., S127
Hankey, Sir Maurice, 45
Hanna, W. George, 200
Hansell, E. G., 107
Hansen, James, 341
Hanson, K.C., Hon. R. B., 9 25, 31, 68, 453, 611
Hanway, James A., 418
Harding, Sir E. S., 5
Harding, Warren G., 179
Hardy, Hon. A. C., 83, 127
Hardy, Dr. E. A., S127, S146
Hardy, W. George, S127
Harrington, Hon. Gordon S., 9, 414, 419-21, 423-28
Harrison, Charles A., 295
Harrison, Milton W., 618
Harrison, Prof. T. H., 374
Harrison, Hon. W. H., 446
Hart, George R., 454

Hart, Hon. John, 390, 391, 399, 400, 403-405, 413
Hart, Merwin K., 647
Harvey, Hon. Horace, 145, 247
Harvey, John, 366
Hatcher, Dr. A. G., 454
Hatfield, Capt. Freeman, 145
Hatfield, P. L., 57
Haultain, Sir Frederick, 305
Hawke, Eugene, S132
Hawken, E., 636-38
Hawkins, C. G., 415
Hazen, Hon. Sir J. D., 441
Healy, W. J., 389
Heaps, A. A., 18, 28, 107, 116
Heaslip, J. B., 207
Heasman, G. R., 575
Hebert, Dr. M. M. L., 303
Heenan, Hon. Peter, 10, 195, 201, 204, 210, 230, 235, 241, 255, 272-73
Heighington, Wilfrid, 202, 208-09, 212, 227, 230, 238, 240
Heinze, Augustus, S42
Henderson, C. E., S128
Henderson, Felix, 420
Henderson, Dr. Rose, 270
Henley, C. S., 395
Henneberry, E. J., 459
Henry VIII, King, 169
Henry, George S., 208-09, 211-12, 215-17, 223, 227-29, 231, 233, 235, 237, 238-40
Henwood, G. B., 366
Henwood, H. B., 521
Hepburn, Hon. Mitchell F., 7, 17, 63, 65, 86, 191-96, 198, 200-06, 208-17, 219, 222-26, 228-29, 232-40, 242-43, 266-67, 269, 272-73, 287
Herbert, Very Rev. Joseph, 250
Herbert, Walter B., 83
Herman, J. F., 327
Hermanson, 60
Herridge, Hon. W. D., 10, 94, 182, S132
Herridge, Mrs. W. D., 5
Heward, F. S. B., 67
Hewlett, W. H., 247
Hibbert, Harold, 407
Hill, A. E., 206
Hill, James F., 208-09
Hilton, Dr. Georges, 303
Hincks, Sir Francis, S114
Hind, Dr. E. Cora, 388
Hipel, Hon. N. O., 210, 212-13, 227-28, 272-73
Hitler, Adolph, 169
Hoadley, Hon. George, 340
Hobbs, John W., S17, S38-39
Hobbs, W. H., 645
Hobson, J. I., 646
Hodson, J. L., S144
Hoey, Hon. R. A., 368, 371, 374, 381
Hogg, T. H., 591
Holden, Rev. Col. A. T., 248
Holland, Norah, S127
Holman, J. Leroy, 75
Holman, H. T., 615
Holmes, B. T., S115
Holt, Sir Herbert S., S16-S17, S39, S113
Homuth, Karl, 209
Hood, Miss Grace G., 388
Hopkins, Dr. E. S., 554
Hopkins, G. I., 334
Horrocks, H. M., 59
Horsey, Hon. H. H., 83
Horsfall, H. H., 540
Hosmer, Elwood B., S129
Houck, Hon. W. L., 211, 235, 273
Houde, Camillien, 177, 303-04
Houston, W. M., 526
Howard, Charles B., 206
How, Thomas F., S100-01
Howe, Hon. C. D., 69, 70, 73, 119-20, 122, 124, 129, 131, 166, 619
Howland, Sir W. P., S114
Howson W. R., 336, 342-43, 346, 351-54, 357
Hubbard, F. L., 631
Huckvale, Robert, S126-38
Huff, A. D., S82
Huffman, 60
Hughes, J. J., 56
Hugill, Hon. J. W., 341, 352, 365
Hull, Hon. Cordell, 10, 70, 94, 110-11, 169
Humphries, K.C., I. A., 88, 199, 200, 273
Hunger, W. M., 92
Hungerford, S. J., 73, 624, 645
Hunter, Lt.-Col. Fraser, 222, 231
Hunter, James Blake, 166
Huntsman, Dr. A. G., 589
Huot, H. R., 206
Husband, L. B., S132
Hutchinson, Earl, 210
Hyde, P. L., 59
Hyland, Dr. Gordon, S146
Hyndman, Hon. J. D., 164

Ilsley, Hon. J. L., 69, 86, 128, 139, 156-58, 166
Inderwick, Cyril C., S132
Inkster, Dr. R. G., 388
Ireland, W. H., 208-09
Irvine, William, 25, 27-28, 71, 92
Irwin, Dr. A. J., 203
Irwin, Hon. Robert, 437
Isnor, Gordon B., 426
Ivens, William, 381
Iverson, 60
Ives, Hon. W. C., 340

Jackman, Prof. W. T., 619-20
Jackson, F. W., 389
Jacob, Fred, S127
Jacoby, Neil H., 309-12
Jaffray, H. T., S94
Jaffray, W. G., 270
James, N. B., 357
Jaquays, H. M., S82
Jardine, Rev. R. A., 177
Jeffrey, Hon. Nicol, 271
Jennings, W. T., S107
Johns, F. V., 273
Johnson, Edward, 178
Johnson, Hon. J. W. F., 393, 397, 400
Johnston, J. L., 389
Johnston, J. T., 591
Johnston, Mildred, 272
Johnston, R. L., S126-27
Johnston, T., 59
Johnston, William, 575
Joncas, A. R., 286
Jones, Dr. C. C., 453
Jones, Mrs. C. C., 453
Jones, George B., 9
Jones, Prof. John H., 414, 418, 422
Jones, W. F., 439, 457
Jordan, A. A., 250

Kato, Sotomatsu, 70, 184-85
Kay, Dr. G. F., 247
Keele, Joseph, S123-24
Keeping, Dr. B. C., 468
Keiser, F. S., 647
Keith, H. P., 366
Kelly, Rev. Edward, 303
Kelly, J. Francis, 235
Kelly, Hon. J. H., 279
Kennedy, D. M., 156-58
Kennedy, E. T., 401
Kennedy, W. P., 50
Kennedy, W. W., 36, 156-58
Kenner, H. R. H., 247
Kenney, James F., 251
Kent, H.R.H., Duke of, 169, 173-74
Kent, H.R.H., Duchess of, 169
Kent, Dr. G. S., 302
Kerr, Dr. W. A. R., 361
Kerr, Hon. W. F., 305, 314, 333
Kerruish, T. M., S83
Kerwin, Hon. Patrick, 88-91
Keyes, Sir Roger, S145
Kidd, T. A., 212, 225, 235
Kiggins, W. H., 468
Killam, I. W., 270
Kilshaw, 60
King, Cecil, S138
King, H. B., 406
King, Dr. James H., 210
King, J. K., 459
King, T. H., 458
King, W. D., 366
King, Rt. Hon. W. L. Mackenzie, 1, 4, 6, 10, 12-7, 30-1, 38, 41, 45, 55-6, 59-60, 62-5, 67-8, 70-4, 76-7, 84, 87, 93-4, 96-8, 110-17, 119, 121, 124, 166, 171, 179-85, 188-90, 193, 198, 249, 305, 390, 512, 551, 562, 612, S127
Kirby, Hon. J. H., 273
Kirk, J. Ralph, 92
Kirkwood, Mrs. M. M., 248
Kinkel, A. R., 586
Knight, Dr. A. P., 249
Knott, Rev. B. D., 430
Knowles, Russell, 268
Knox, Dr. W. F., 397
Kydd, Miss Winnifred, 9, 249

Labatt, John, 268
Labrie, Dr. Arthur, 589
Lacasse, Hon. J. H. G., 29
LaFerte, Hon. Hector, 278, 287
LaFleche, Lt.-Col. L. R., 166
Lafleur, Pierre A., 277
Lafond, Dr. Raoul, 302
Laforce, J. E., 304
Lagace, Jean B., 303
Laidlaw, R. A., S132
Laidlaw, Walter C., S82, S115
Laird, Miss Hilda, 249
Lake, Philip, 442-43
Lamb, J. R., S98-101
Lambert, Norman P., 83
Lamontagne, C. A., S83
Lancaster, R. F., 295
Lanctot, Charles, 88, 283-84

Lanctot, Major G., 251
Landon, Fred, S132
Lang, C. M., 366
Lang, Mrs. Jean, 269
Lang, Louis L., S82
Lang, Malcolm, 265
Langlais, Hon. Romeo, 303
Langton, W. A., S127
Lapalme, Rev. L., 454
Lapierre, L. A., 211
Lapointe, Hon. Ernest, 30, 47, 69, 73, 83-4, 95, 98, 116, 125-26, 166, 187, 188-90, 277-78, 302
LaPorte, Dr. P. H., 459
Larabee, J. J., 71, 92
Lariviere, Jean, 186
Larkin, G. R., S132
Latchford, Hon. F. R., 199, 212
Latour, Rev. C., 250
Latta, S. J., 334
Laurier, Sir Wilfrid, 11, 18-9, 69, 270
Laurence, Dr. G. C., 584
Laut, Agnes, S127
Lavigne, E., 293
Law, Hon. A. Bonar, 442
Law, R. S., 51
Lawrence, E. J., 208
Lawrence, Sam, 207, 212-13, 230-32, 238
Lawson, Hon. J. E., 8-9, 99
Layton, Hon. Gilbert, 285, 304
Lea, Hon. Walter M., 460-65
Leacock, Dr. Stephen B., 302, S127
Learned, Dr. W. S., 324
Lebrun, M. Albert, 188, 190
Leduc, Hon. Francois J., 285, 304, 635
Leduc, Hon. Paul, 227, 237, 254, 272-73, 586
Leduc, Rodolphe, 92
Leeming, David, 394-95
Lefebvre, O., 591
Lefevre, Dr. J. M., 407
Leffler, Earl, 272
Legault, Theodore, 208, 210
Leger, Hon. A. J., 9, 445-46
Lehberg, F. H., 557
Leim, Dr. A. H., 589
Leitch, A., 559
Lemaire, E. J., 82-3, 166
Lemaitre, Rev. Georges, 302
Lemieux, F. X., 304
Lemieux, Dr. L. J., 285
Lemieux, Hon. Rodolphe, 29
LePage, Hon. B. W., 461-62, 467-68
LeSueur, R. V., S115
Letourneau, Hon. Louis, 275
Lewis, Major A. C., 273
Lewis, Hon. John, 57
Lewis, John, 271
Lewis, John L., 416, 511
Lillie, Prof. R. S., 247
Lindal, W. J., 372
Lindbergh, Col. Charles, S143
Lindsay, Charles W., 177
Locke, George H., 250
Logan, Dr. G. Murray, 423
Logan, S. H., S90-93
Logan, Hon. Hance J., 145
Long, E. G., 83
Logan, S. H., 521
Longman, O. S., 340
Lorne, Marquis of, S129
Love, Hon. J. R., 336, 344-46
Lovell, J. Stanley, 250
Low, Hon. S. E., 365
Lowes, Dr. J. L., 302
Lowry, J. E., 389
Lucas, I. B., 270
Lugsdin, L. J., S146
Lunney, Hon. H. W., 363
Lyle, John M., S132
Lymburn, Hon. J. F., 350
Lynch, W. J., 649
Lyon, T. Stewart, 199, 264
Lyons, Hon. Joseph, 10, 171

Macallum, A. B., 250
Macaulay, Leopold, 201, 206, 208-09, 215, 217, 220, 229, 235, 240, 241-42
Macaulay, T. B., S113
Macbeth, Talbot, 250
MacBrien, Maj.-Gen. James H., 134, 166, 177-78
MacCallum, A. L. W., 128
MacClement, Prof. W. T., 249
Macdonald, Hon. Angus L., 415-21, 423-29, 437
Macdonald, Charles S., S114-15
Macdonald, Dr. Donald F., 415, 417
MacDonald, Rev. D. J., 431
MacDonald, Rev. G. A., 248, 468
Macdonald, H., S83
Macdonald, Hon. John A., 9
MacDonald, Col. Joseph A., 615
Macdonald, J. K., S114-15
MacDonald, Hon. K. C., 413
MacDonald, Malcolm, 171
Macdonald, Hon. M. A., 409-10
MacDonald, Rt. Hon. Ramsay, 5, S138
Macdonald, Hon. W. A., 162
Macdonell, H. W., S83
Macdonell, Ian M., 202
Macdonnell, J. M., S132
Macdougall, I. D., 18
Macdougall, W. L., 525-26
MacGibbon, D. A., 555
MacGregor, J. R., 9
MacIlreith, Robert T., 421
MacInnes, C. S., S132
MacInnis, Angus, 18, 27-8, 52, 99, 107
MacKay, A. D., 421
MacKay, D. N., 464
Mackay, Dr. G. M. J., 430
MacKay, Dr. Murdock, 372
Mackenzie, A. A., 366
Mackenzie, Dr. A. S., 153, 324
Mackenzie, Prof. C. J., 153
Mackenzie, Hon. Ian A., 27, 34, 69, 73, 75-6, 86, 132, 166, 187-88, 190
Mackenzie, O. F., 415
Mackenzie, Dr. Stanley A., 415
Mackie, Donald, 366
Mackintosh, W. A., 500
Maclaren, Alexander, S102
MacLaren, Hon. Murray, 442-43, 448, 459
MacLean, J. D., 557
MacLean, Malcolm C., 251
MacMillan, A. D., 340
MacMillan, Hon. A. S., 422, 424, 426, 437, 591, 635
Macmillan, D. d'Mendi, S127
MacMillan, Sir Ernest, 168, 178, 407
Macmillan, Sir Frederick, S126-27
Macmillan, Lord, 88-91
Macmillan, George A., S126-27
MacMillan, L. B., 468
Macmillan, M. H., S127
MacMillan, Vivian, 340
MacMillan, Hon. W. J. P., 302, 460-61, 463-64
MacMurchy, Miss Marjory, S127
Macnab, Ira Percy, 421
MacNamara, A., 389
MacNaught, J. Watson, 468
MacNeill, C. G., 99, 116
Macnutt, E. A., S113
MacPhail, Miss Agnes C., 25, 28, 107, 131, 154, 161
MacPhee, Hon. H. F., 460
MacPherson, Hon. F. M., 392, 413, 635
MacPherson, Rev. H. P., 431
MacQuarrie, Hon. J. H., 424, 427-28, 437
MacTavish, Newton, S127
Macrae, A. Montye, S132
Madill, Lt.-Col. H. H., S132
Magee, F., 75
Magill, Herman, 419, 421
Magill, Mrs. Herman, 420
Magor, R. J., 337, 353-56
Magrath, C. A., 186
Maguire, Alfred, 270
Mahoney, Merchant, 178
Mailey, Arthur, S135
Mailhot, Adhemar, 302
Major, Hon. W. J., 371, 373, 375, 378, 389
Makins, Hon. J. C., 272
Malone, Col. Cyril, 324
Malowney, Dr. 207-08
Manion, Hon. R. J., 9, 25, 45-6, 54, 68, 312, 616-17, 620
Manning, Hon. E. C., 341, 352, 365
Manson, A. M., 397, 401
Mantle, G. A., 334
Manville, Capt. William, 647
Marceau, J. Henri, 208, 210, 228
Marchand, Hon. Victor, 275
Marcoux, Hon. Sauveur, 371, 389
Marler, Sir Herbert, 76, 178, 182-84
Marois, A., 500
Marr, Norman, 591
Marriott, H. F., S105
Marsh, J. F., 258, 273
Marshall, Hon. Duncan, 192, 204, 212, 217, 231, 251, 272
Marshall, Herbert, 612
Martin, Argue, 209
Martin, Crauford, S134-37
Martin, Dr. C. F., 302-303
Martin, N. L., 206
Martin, P. F., 57
Martin, Hon. W. M., 98, 313-14
Marty, Dr. Aletta E., 250
Mary, H.M. Queen, 73, 93, 168-70, 174, 176, 227, 277, 320, 400, 448, 465, 58
Mason, Dr. A. D. A., 246
Massey, Denton, 131

Massey, Hon. Vincent, 64, 70, 73, 77, 83, 171, 181, 184, 303, S129
Massey, W. E., 468
Massicotte, Dr. Edouard, 303
Masten, Hon. C. A., 199
Mathers, A. S., S132
Mathers, Frederick F., 437
Mathieson, Hon. J. A., 160
Matthews, Hon. Albert, 83, 272, S132
Matthews, A. C., S115
Matthews, Hon. R. C., 8, 615, S135-36
Matthews, William E., 178
Maurault, Very Rev. Mgr. Olivier, 250, 302
Maynard, Hon. Lucien, 341, 365
McAree, J. V., S127
McArthur, Dr. Duncan, 243-44, 249-50, 273
McAulay, Neil, 415
McBride, M. M., 212, 235, 240
McBrien, W. C., 631
McCann, C. M., 389
McCardell, Michael, 268
McCarthy, Leighton, S102
McCaughey, Louis, 268
McClung, Mrs. Nellie, 73, 654
McClure, Dr. William, 302
McConica, T., 334
McConnell, Dr. J. H., 248
McConnell, John W., 628
McConnell, R. G., S121, S124
McCrea, Charles, 206
McCrimmon, Prof. A. L., 251
McCullagh, C. George, 270, S132
McCulloch, R. O., S132
McCullough, Dr. J. W. S., 259
McCurdy, Hon. F. B., S102
McCusker, Dr. E. A., 324
McCutcheon, Rev. M. F., 430
McDiarmid, Hon. J. S., 371, 389, 586
McDonald, Charles, 70
McDonald, George C., 159
McDonald, G. W., 92
McDonald, Hon. John Alexander, 431-32, 437
McDonald, Hon. John Anthony, 205-06
McDonald, W. M., 206
McDougall, D. H., 540, 624
McDougall, Hon. E. S., 282, 285
McDowell, C. J., 92
McElhanney, T. A., 575
McEvoy, Hon. J. A., 539
McFarland, John I., 9, 26, 39-41, 51, 95, 98, 560-61, 563-64
McFarlane, A. S., 459
McGeer, K.C., Gerald G., 7, 52, 116, 393-99, 401, 521
McGhie, M.D., B. T., 259-60, 273
McGill, Dr. Harold W., 150, 167
McGilvray, Dr. C. D., 303
McGregor, Colin C., 272
McGregor, F. A., 165
McGuigan, Most Rev. J. C., 324
McGuigan, Hon. M. R., 461, 468
McHattie, C. T., 162
McInnes, Hector, S102
McInnes, William, 334
McIntosh, J. M., S83
McIntyre, Hon. H. P., 461, 468
McIsaac, P. A., 465
McIvor, Rev. Daniel, 99, 131
McIvor, George A., 52, 70, 562-63
McKechnie, J. H., 334
McKechnie, Robert E., 178
McKee, A. R., 366
McKee, Robert, 51
McKeen, S. S., 398
McKenna, Rt. Hon. Reginald, S17, S39
McKenzie, Hon. D. G., 369, 371, 373-74
McKenzie, John D., 423
McKenzie, Robert, 71, 92, 557
McKinnon, Rev. F. W., 397
McKinnon, Hector, 9
McKinnon, Hugh B., 10
McLaughlin, Miss Ada, 248
McLaughlin, Miss Isabel, S132
McLaughlin, Leonard, 248
McLaughlin, Robert J., S127
McLaughlin, Robert S., S17, S38-39
McLaughlin, W. W., S127
McLean, A. D., S118, S125
McLean, A. N., 500
McLean, Hon. Hugh H., 442
McLean, J. S., S132
McLean, Simon J., 178
McLeish, John, 167
McLennan, Sir John, 178, 247
McLeod, Rev. A. K., 250
McLeod, Hon. D. L., 368
McLeod, J. A., S102-03
McLeod, J. W., 334
McMahon, George Andrew, 170
McMaster, Ross H., 628, S17, S39, S113
McMaster, S. J., 631
McMaster, Hon. William, S114
McMullen, Edward, 271
McMurrich, Dr. J. P., 589
McNair, Hon. J. B., 72, 440-41, 452, 459
McNairn, H. D., 261-62, 273
McNally, Dr. G. F., 366
McNamee, George A., 635-36
McNaughton, Maj.-Gen. A. G. L., 153, 166, 177
McNichols, A. S., 540
McPherson, Cora L., 341
McPherson, Hon. E. A., 367, 371-72, 376-77, 379-80
McPherson, M. A., 558
McPherson, O. L., 335-36, 341, 349
McQueen, Prof. Robert, 75, 388
McQuesten, Hon. T. B., 204, 212, 220, 257-58, 264, 272-73, 635, S132
McQuibban, George A., 240
McRuer, K.C., J. C., 156
McShane, Rev. G. J., 302
McTague, Hon. C. P., 268
McVicar, M. D., 235
Meeham, Patrick, 586
Megill, H. B., 586
Megloughlin, W. B., 136
Meighen, Rt. Hon. Arthur, 9, 32, 56, 114, 121, 126, 270
Meighen, C.M.G., Col. Frank, S16, 17
Meisner, David, 268
Mellish, D. L., 389, 573
Merchant, LL.D., F. W., 244
Mercier, Hon. Honore, 277
Mewburn, Maj.-Gen. S. C., 187
Michaud, Hon. J. E., 69, 74, 86, 166, 589
Michie, Col. J. F., S115
Middleton, A. N., 273
Middleton, Hon. W. E., 199-200, 271
Millar, Charles, 271, 312
Miller, B. J., 640
Miller, W. L., 178, 231
Mills, G. W., 222
Mills, W. H., 10
Milner, Lord, 179
Milner, Roy, 51
Mitchell, Humphrey, 18, 28, 498
Mitchell, James T., 167
Mitchell, J. W., 540
Moffatt, R. J., 73, 624
Molloy, T. M., 334
Monk, F. A., 281
Montgomery, George H., 430
Montpetit, Prof. Edouard, 9
Monypenny, T. F., 599-600, S83
Mooney, S. G., 615
Moore, S. J., S102
Moore, Tom, 9, 122, 500
Moorhead, Very Rev. W. H., 303
Morden, K.C., W. S., 599, S76
More, W. G., S94
Moreau, Hon. Emile, 279
Morgan, A. E., 302
Morgan, Henry W., 615
Morgan, T. G., 635
Morin, Dr. Adrien, 303
Morin, Rene, 73, 654
Morin-Labrecque, Mrs. A., 302
Morris, S42
Morisset, Alfred, 304
Morrish, Dr. Walter, 352, 357
Morrison, D. W., 416, 417
Morrison, Most Rev. James, 431
Morrison, J. J., 269
Morrison, William, 352
Morrow, E. H., S128
Mount Stephen, Lord, S111
Moyer, F. C., 343
Muggah, S. E., 437
Mullen, Hon. D. B., 365
Mullins, Col. H. A., 9
Mulock, W. P., 10, 11
Mulock, Rt. Hon. Sir William, 11, 270, S146
Mulqueen, P. J., 640
Munchuk, William, 272
Munchuk, Mrs. William, 272
Munro, D. Paul, 210, 242
Munro, Henry F., 437
Munro, J. B., 413
Munro, William B., S127
Munroe, Hon. H. E., 77, 305, 315, 319-21
Murray, James R., 70, 130, 562-63
Murray, Kingdon, 268
Murray, Dr. Walter C., 324

Murray, Major W. E. G., 654, 658
Murdoch, K.C., J. Y., 73, 624, S102
Murphy, Hon. Charles, 70
Murphy, Hon. Denis, 407
Murphy, John, 591
Murphy, Thomas A., 205
Murphy, Hon. T. G., 9, 68, 147
Mussolini, Benito, 169
Mutter, J. L., 575
Myers, J. H., 25
Myers, Richard, 222

Nanton, Sir Augustus M., S105-06
Napier, G. P., 413
Nash, F. M., 432
Nathanson, N. L., 73, 654
Near, J. R., 331-32
Near, W. W., 250
Neelands, C. F., 207, 264, 273
Neill, A. W., 18
Nelles, Capt. P. W., 146
Nelson, R. J. R., 615
Nesbitt, A. Russel, 208, 229, 240
Nesbitt, E. W., 160
Newcombe, C. K., 389
Newman, Dr. L. H., 453
Newman, William, 212
Newton, Norman F., 206
Nicholson, Dr. F. J., 407
Nicholson, Gerald, 268
Nicholson, G. B., 10
Nicholson, W. G., 269
Nicol, Hon. Jacob, 277, 279
Niven, Frederick, S127
Nixon, Hon. H. C., 191, 203, 207, 210, 212, 225-27, 237, 256, 260, 264, 272-73
Noxon, W. C., S146
Novotny, Rev. Joseph, 430

O'Brien, M. J., 65
O'Connor, Hon. Frank P., 70, 83
O'Connor, Lt.-Col. H. Willis, 178
O'Connor, W. H., 187
Odette, E. G., 235, 273, 266-67
Odlum, Brig.-Gen. W., 73, 654
O'Donnell, Harry, 272
O'Dwyer, Patrick, 324
O'Gara, Rt. Rev. C. M., 251
Ogilvie, A. W., S111
Oliver, F. R., 212, 232, 238, 240
Ollivier, Dr. P. M., 50
O'Regan, Mrs. C. G., 92
Ormand, General D. M., 57
Ormsby, R. P., 645
Osborne, Col. H. C., 178, 187, S132
Osborne, J. A. C., 86
Osler, Britton B., S104
Osler, Sir Edmund, S104-05, S107-08
Osler, F. G., S105-06, S108
Osler, Rev. F. L., S104
Osler, Hon. Featherstone, S104
Osler, G. S., S105
Osler, Sir William, S104
Ouellet, Hon. J. C. E., 274-75
Oulton, Walter G., 432
Outram, Sir James, S127
Owen, Rev. Cecil C., 188

Page, Hon. W. H., S146
Paquet, Dr. Eugene, 9
Paquette, Hon. J. H. A., 285, 304
Parent, R. H., 92
Parizeau, Dr. Leo, 303
Parker, Judge James, 124, 160
Parker, Hon. John Mason, 315, 333
Parker, Hon. Justice, 655
Parker, Hon. R. J. M., 333
Parkes, A. H., 92
Parks, Prof. W. A., 247
Parlby, Hon. Irene, 361
Parmelee, Major J. G., 166
Patenaude, Hon. E. L., 275, 278-79, 281-83, 285-86, 288, 303-04
Patenaude, J. O., 166
Paterson, Hon. A. P., 440-41, 459
Patterson, John, 651
Patterson, Dr. F. J., 397
Patterson, Rev. F. W., 430
Patterson, H. F., 521, S102-03
Patterson, Roland, 210
Patterson, Hon. W. J., 305-09, 313, 321-22, 333
Pattinson, R. R., 60
Patton, Dr. W. W., 426
Pattullo, Hon. T. D., 34, 52, 390-92, 394-95, 397-98, 401, 403, 406, 413
Paul, Earle B., 437
Peacock, Sir Edward R., S17, S38
Pearson, Hon. G. S., 413
Pearson, L. B., 184
Pearson, R. McN., 389
Peebles, Dr. Allon, 392, 412
Pegram, Albert, 268
Pellatt, Henry, S104-05
Pelletier, R. A., 99
Penny, W. S., S113
Pepler, Col. Eric, 413
Percival, J. F., 339, 366
Percival, Dr. Walter, 304
Perkins, Edward J., 248
Perley, E. E., 25, 99, 116, 130
Perley, Rt. Hon. Sir George, 9, 28, 46-7, 56, 130, 159, 178, 187, 303
Perras, W. F., 92
Perrault, Hon. J. E., 277-78
Perry, Hon. H. G. T., 413
Petain, Marshal Henri, 190
Phalen, Robert F., 437
Phipps, A. E., 192, 521, S94-7
Phipps, Sir Eric, 169
Picard, A. C., 75
Piche, G. C., 289-90
Pickel, F. H., 25
Pidgeon, Rev. E. L., 454
Pierce, Dr. Lorne, S127
Pierre, C. St., 521
Pilcher, Rev. Canon C. V., 248-49
Pinard, J. A., 92
Pincock, Dr. J. C., 454
Pinsonnault, E., 161
Pirie, Hon. F. W., 440, 444-45, 452, 459
Pitblado, Isaac, 586
Pitt, John R., 368
Pius XI, His Holiness Pope, 169
Piuze, Lt.-Col. P. A., 137-38
Planta, Clive, 401
Plaskett, John S., 177
Plaunt, A. B., 73, 654
Plaxton, C. P., 88
Playter, W. P., S146
Plunkett, D. B., 92, 397
Pogue, Rev. Robert, 248
Polson, N. C., S82
Poole, E. J., 107
Pooley, R. H., 401
Porteous, V. C., 25
Porter, George W., 640
Porter, T. M., 247
Potvin, Adrien, 166
Pouliot, Dr. Camille, 287
Pouliot, J. F., 25, 30-1, 45, 47, 124, 131, 287
Poupart, Rev. H., 250
Pousette, G. F. C., 635
Power, Hon. C. G., 69, 73, 140, 166, 187-88
Powlett, Armand, 362
Powlett, C. H. A., 361-62
Pratt, Dr. E. J., S127
Prefontaine, Hon. Albert, 368
Prefontaine, Edmond, 368
Prendergast, Hon. J. E. P., 92
Price, Col. C. Basil, 164
Price, Henry I., 206
Price, J., 396
Price, Dr. Peter, 586
Price, Roy, 206
Price, Vincent, S146
Price, Mrs. Vincent, S146
Price, Lt.-Col. W. H., 205, 208, 211-12, 215, 218, 223, 231, 234-35, 238, 242
Priestly, Norman, 360
Primrose, Lieut.-Col. the Hon. Philip C. H., 77, 341, 365
Prince, G. H., 459
Pringle, K. M., 526
Procter, Hon. A. T., 333
Procter, William, 303
Prowse, Hon. T. W. L., 461, 468
Purvis, Arthur B., 74, 115, 500, S51-58, S60, S113
Putman, J. H., 247
Putnam, Frank, 405

Queen, John, 368
Quelch, Victor, 99
Quigg, S., 88
Quinn, F. P., 9
Quinn, Martin J., 200, 202

Ralston, J. L., 25-7, 36, 40, 41
Ramsay, E. B., 167, 555
Raymond, Hon. Alphonse, 285-86, 304
Raymond, Hon. Donat, 83
Raynault, Adhemar, 303-04
Redfern, A. S., 166
Reid, Hon. R. G., 336-37, 343, 346, 348, 350-52
Reid, R. L., 59, 407
Reid, Helen R. Y., 178
Reid, Thomas, 623
Rennie, Thomas, 640
Rhodes, Hon. E. N., 9, 19, 20-27, 33, 45, 48, 426, S61
Richard, Hon. C. T., 440-41, 446, 451-53, 459
Richard, L. A., 304
Richards, Hon. C. D., 438
Richards, Hon. S. E., 92

Richardson, V.C., J. C., 187
Richardson, James, 51, S17
Ricketts, Charles, S130
Riddell, PH.D., W. A., 77-9, 94, 97, 184
Riddell, Hon. W. R., 199, S146
Rigamonti, Luigi, 188
Rigg, R. A., 498
Riley, J. E., S50
Rinfret, Hon. Fernand, 69, 123, 131, 144, 166
Rinfret, Hon. T., 88-91, 132
Ring, L. B., 334
Riordan, Carl, S113
Ripley, C. A., 377-78
Ritchie, Gordon D., S94
Ritchie, Harold F., 229
Robbins, J. E., 152
Robbins, Hon. W. D., 185, 270
Robert, Canon A., 303
Roberts, A. D., 212, 229
Roberts, B. J., 557, 636-38
Roberts, C. G. D., 178, S127
Roberts, F. E., S146
Roberts, Dr. W. F., 454, 459
Robertson, Dr. D. E., 419-21
Robertson, Mrs. D. E., 420
Robertson, John Ross, S136
Robertson, R. S., 199, 200
Robichaud, J. G., 457
Robichaud, J. L. P., 9
Robinson, Cayley, S130
Robinson, Jonathan, 286
Robson, F. E., S146
Roche, Hon. W. J., 152
Rochefort, Candide, 303-04
Rochette, Hon. Edgar, 277-78, 282, 285
Rockwell, Mrs. M., S146
Rodd, R. T., 366
Roebuck, K.C., Hon. A. W., 88, 211-12, 217-21, 230-31, 238-39, 261, 264, 272
Roewade, Oge, S146
Rogers, Alfred, 614, 615
Rogers, Arthur W., 521
Rogers, Rev. D. B., 303
Rogers, G. E., S128
Rogers, LL.D., G. F., 245
Rogers, Hon. Norman M., 50, 69, 78-9, 86, 114-15, 131, 166, 187, 249, 485, 496-500, 504-05
Rogers, W. R., 586
Rogers, Mrs. W. W., 353
Rolph, Frank A., S94
Rolph, F. G., S115
Roma, Jean Pierre, 462
Romkey, G. E., 427
Roosevelt, Hon. F. D., 70, 76, 80, 111, 169, 179, 180, 225
Roosevelt, Hon. Theodore, 219
Rose, Hon. Hugh E., 199-200, 270
Rosebrugh, Prof. T. R., 247
Ross, Brig.-Gen. A., 165, 187
Ross, Hon. Charles C., 352, 365
Ross, Duncan C., 206
Ross, Capt. J. G., 586
Ross, John W., S113
Ross, Philip D., 302
Ross, Rev. W. C., 454
Ross, Hon. W. D., S102
Rowe, Hon. Earl, 8, 9, 194, 201-02, 204-05 209
Rowe, Frank, 437
Rowe, P. J., 99
Rowe, W. E., 11
Rowebottom, E. G., 413
Rowell, K.C., Hon. N. W., 88, 202, S146
Rowlandson, John, 207
Rowlatt, Sir Sidney, 88-91
Rowley, Lt.-Col. C. W., S146
Roy, C. A., 521
Roy, Dr. Louis-Philippe, 303
Roy, Pierre G., 304
Roy, Hon. Philippe, 77, 184
Rudge, E. J., 419
Runciman, J. P., 334
Rundle, W. E., 248
Rutherford, F. S., 245
Ryan, Norman (Red), 271
Ryrie, J., S132

Sadler, Prof. Wilfrid, 407
St. Laurent, K.C., Dr. Louis, 88, 388
Salsbury, Dr. C. R., 249
Sanderson, C. R., S138-45
Sanderson, James, 209
Sandwell, B. K., S132
Sasaki, Rt. Rev. Paul Chingi, 248
Saunders, Mrs. Edna, 209
Saunders, Mrs. Marshall, S146
Savard, J. Ernest, 525
Sauvé, Hon. Arthur, 8-9, 286
Sauvé, Rev. G., 250
Sauvé, Hon. J. P., 275, 286, 304
Saville, George, 467
Savoie, J. A., 631
Scadding, Alfred, 419, 420
Scarth, W. B., S105
Schaffner, F. L., 57
Schultz, Hon. Ivan, 371, 389
Sclater, Rev. J. R. P., 250
Scott, A. M., 248
Scott, Ven. Archdeacon F. G., 187
Scott, Francis R., 50
Scott, R. H., 457
Scott, R. J., 269
Scully, Hugh D., 166
Seabright, John, 272
Seagram, Norman, S135-36
Sedgewick, Hon. G. H., 167, 178, 506, 607
Sedgwick, Joseph, 205
Seeley, E. Claude, 458
Selassie, Haile, S143
Sellar, Watson, 167
Senn, Mark C., 156-58
Shafer, W. H., 374
Shannon, Charles, S130
Sharp, Hon. G. Shelton, 635
Shaughnessy, Rt. Hon. Lord, S17
Shaughnessy, E. C., 366
Shaver, F. T., 25
Shaw, A. M., 70, 562
Shaw, G. B., S146
Shaw, Herbert H., 468
Shaw, James, S61
Shepherd, Dr. Francis J., S129
Shnitka, A., 366
Shutt, Frank T., 178
Sifton, L. S., 334
Silk, Eric, 273
Silverthorne, O. J., 266
Sim, David, 166
Simard, Hon. Georges, 286
Simmons, Hon. W. C., 361
Simpson, Major D. O. U., 188
Simpson, Ernest, 170
Simpson, Mrs. Ernest, 170-72, 174, 177
Simpson, James, 267
Simpson, Hon. L. J., 201, 240, 242-44, 247, 272-73
Simpson, Miss R. M., 334
Sjodin, E. W., 60
Skelton, PH.D., O. D., 78, 79, 166, 181
Slaght, A. G., 94, 99
Sloan, K.C., Hon. G. McG., 52, 88, 413, 559-60
Small, Ambrose J., 271
Small, Mrs. A. J., 271
Small, Mary Florence, 271
Small, Mrs. Sidney, S132
Smart, Brig.-Gen. C. A., 277
Smart, V. I., 166, 650
Smeaton, A., 365
Smellie, K.C., James F., 166
Smelter, R. J., 432
Smith, B. F., 9
Smith, Rev. C. H. E., S132
Smith, D. L., 9, 95, 561
Smith, E. C., S43
Smith, F. D. L., S132, S146
Smith, F. Wilfred, S132
Smith, Lieut. Frank, S108
Smith, G. E., 372
Smith, J. F. C., S132
Smith, Jane, S125
Smith, Julian C., 591, 631
Smith, J. J., 334
Smith, J. M., 334
Smith, O. E., 453
Smith, Mrs. Paul, 401
Smith, Robert W., 251
Smith, R. A., 366, S105, S108
Smith, K.C., Robert K., 167
Smith, R. K., 9
Smith, R. M., 273
Smith, Sidney T., S102
Smith, Tom, S125
Smith, V. R., S115
Smith, W. D., 235
Smith (Mayor of Kitchener), 193
Smythe, A. E. S., S127
Solleroz, Denys, 324
Sommerville, W. L., S132
Sorsoleil, M. A., 273
Southam, Harry S., 178, S129
Soutter, A. R., 366
Sparks, R. P., 610
Speakman, Alfred, 18
Speakman, Dr. H. B., 266
Spence, Rev. Ben, 269
Spence, Hon. George, 333
Spence, M. E., 247
Spencer, Earl W., 170-71
Spencer, H. E., 18, 25
Spencer, Mrs. (see Simpson), 171
Spotton, George, 25
Squires, Hon. F. C., 448-49, 452
Stadler, John, 540
Stanfield, Frank, 415
Stanley, R. C., S16-7
Stanley, Dr. C. W., 430
Starr, F. P., S102
Starr, J. R. L., 248
Stavert, R. E., S50
Steeves, Dr. Charles P., 453
Steeves, Mrs. D. G., 398
Stefannson, Vilhjalmur, S127
Stephens, Maj. G. W., 128
Stevens, Hon. H. H., 12, 32, 55, 59-61, 65, 68, 99, 107, 116, 156-58, 206

Stevenson, H. A., 521
Stewart, Hon. Charles, 186
Stewart, C. J., 468
Stewart, Hon. H. A., 9, 42
Stewart, Robert, 416-17
Stewart, William J., 177, 209
Stirling, Hon. Grote, 9, 43, 52, 162
Stirrett, J. T., S83
Stitt, James H., 25, 152, 166
Stoakley, Mabel, S146
Stockwell, Hon. R. F., 275-77, 280, 283, 285
Stokes, Adrian, S130
Storrie, Mrs. W., S146
Strachan, R. H., S146
Stroh, Mrs. Mary, 272
Stroh, Philip, 272
Stubbs, L. St. G., 371
Sullivan, Frank, 271
Sullivan, John A., 9
Sullivan, Lt.-Col. J. A., 166
Sullivan, Pat, S43
Sullivan, J. F., 250
Sunderland, W., S118
Sutherland, Donald, 9
Sutherland, Hon. D. M., 9, 68, 142, 164
Sutherland, Mrs. M. M., 500
Sutherland, Thomas Fraser, 254, 273
Swailes, R. B., 396
Swanston, J. B., 25
Sweeney, A. L., 366
Swift, Sherman C., 302
Sykes, S. B., S105
Symington, K.C., Herbert, 73, 624

Tache, Alexandre, 283
Tade, C. H., 352
Taggart, Hon. J. G., 333
Talman, J. J., S132
Tanner, Hon. N. E., 353, 365
Taschereau, Antoine, 283
Taschereau, Hon. L. A., 17, 201, 274-82, 300, S113
Taylor, Hon. A. C., 441, 459
Taylor, A. Perring, 334
Taylor, D. J., 210, 273
Taylor, F. G., 369
Taylor, H. J., 256
Taylor, J. S., 99
Taylor, Mervyn D., S146
Taylor, Rev. Roy, 353
Taylor, Ruth, 272
Tedford, Capt. E. E., 645
Telford, Dr. Lyle, 396-97
Temple, Frank, 272
Temple, Fred, 272
teWater, Charles T., 171
Thankerton, Rt. Hon. Lord, 88-91, 430
Thériault, Hon. Elisée, 274-75, 279
Thomas, Rt. Hon. J. H., 5, 220
Thomas, J. H., 425-26
Thompson, Col. A. T., S132
Thompson, H. R., S83
Thompson, Col. J. T. C., 166
Thompson, T. A., 18, 99
Thomson, David, 407
Thomson, P. A., S115
Thomson, Prof. H. N., 407
Thomson, Rev. James S., 248
Thomson, R. B., 646
Thomson, S. M., 219
Thornhill, H. P., S113
Thornton, K. B., 631
Thornton, L. A., 334
Tilley, W. N., 199, 200, 239, 438-39, 442-48, S17, S38
Tilford, Elizabeth, 272
Tissot, Jean, 92
Tokugawa, Iyemasa, 185
Tolmie, Hon. S. F., 92, 397
Tompkins, Watson, 167
Tory, Dr. H. M., 153, 165
Tory, Hon. James C., S102
Tory, John A., S113
Towers, Graham F., 86, 519-21
Townley-Smith, F. W., 557
Treleaven, J. C., 334
Tremblay, Francois, 295
Tremblay, Gerard, 304
Tremblay, J. H., 352
Tremblay, Hon. William, 285, 304
Tretheway, Dr. Mary A., 430
Trowbridge, E., 366
Tracy, Prof. H. L., 249
Trainor, C. St. Clair, 468
Trites, W. Borden, 459
Trotter, Prof. R. G., 249
Trudel, Dr. Marc, 287
Tupper, Hon. W. J., 376, 378, 389
Turgeon, Hon. W. F. A., 130, 155, 318-19, 324
Turnbull, F. W., 25, 53
Tweed, Mrs. Sydney, 83
Tweedsmuir, His Excellency The Rt. Hon. Baron, 2, 73, 76, 80, 82-3, 93-4, 166, 171, 179-80, 226, 247-48, 302, 586, S146
Tweedsmuir, Her Excellency Lady, 179-80, 226
Tweedie, Hon. T. M., 159
Twigg, H. D., 393

Uhrich, Hon. J. M., 321, 330-31, 333
Umphrey, F. E., 372
Upjohn, F. A., S128

Vachon, Rev. Alexandre, 73, 153, 251, 654
Vaillancourt, Dr. Cyrille, 303
Vallee, Ivan, 304
Van Allen, G. H., 355-56
Vanier, G. P., 5, 79
Van Koughnet, Mrs. A., 209
Vautrin, Hon. Irenee, 275-78, 283
Veniot, M.D., Clarence J., 92, 458
Veniot, Hon. P. J., 92, 155, 163-64
Vermilyea, Harold W., 271-72
Vermilyea, Mrs. Nathaniel, 271-72
Vezina, Edgar, 284, 304
Vickers, Prof. H., 407
Victor Emmanuel, His Majesty King, 169
Victoria, Her Majesty Queen, 169
Victoria, Alexandra Olga Mary, H.M. Princess, 169
Vincent, Rt. Hon. Sir Percy, 393, 625
Vincent, Lady, 393
Vratarich, Nick, 207

Wales, Prince of (see also Edward VIII, King, and Windsor, Duke of), 72, 168, 171
Waldie, R. S., S115
Walker, E. B., 649
Walker, Sir Edmund, S129
Walker, Dr. J. F., 413
Walker, Henry M., 242-43
Walker, P., 413
Walker, Robert C., 397
Walker, Prof. E. N., 246
Wall, James M., 421
Wallace, M. W., S132
Wallace, Dr. R. C., 249, 251, 361
Wallace, Dr. R. W., 324
Wallace, W. Stewart, S127, S132
Walsh, F. Waldo, 415, 432, 437
Walsh, J. E., S83
Walsh, Hon. W. L., 77, 341-43, 352-53, 357
Walters, Chester S., 195, 205, 273
Wardhaugh, M. F., 526
Wardle, James M., 9, 167
Warfield, T. Wallis, 170
Warfield, Mrs. T. Wallis, 170
Warren, James J., S50
Warren, Mrs. Sarah Trumbull, 178
Warren, W., 334
Waters, Col. Mackenzie, S132
Watt, R. N., 631, 649
Watt, W. C., 206
Wearing, Thomas, 251
Webb, James H., 599, S72-6
Webb, Lt.-Col. Ralph H., 369
Webster, Arnold, 396
Webster, Dr. J. C., 177, 442
Webster, Hon. Lorne C., S113
Weeks, Henry, 324
Weir, Hon. Robert, 9, 34-5, 44, 54, 68, 312, 402, 412-13, 551, 560, 572
Wells, Colin L., 334
Weldon, K.C., I. E., 197
Welsh, Dr. Harold E., 208
Westaway, W. J., 206
Westren, John, 614
Wesson, J. H., 327
Wetmore, A. H., 458
Whidden, Rev. H. P., 248
White, Arthur F., S115
White, D. V., 88
White, Fred J., 343
White, J. F., 25
White, K.C., Peter, 205
White, R. S., 57
White, Sir Thomas, 159-60, 177, 438, 462
White, Rev. W. A., 430
White, Dr. W. W., 445, S102
Whitebone, James A., 458
Whitla, Judge H. W., 375
Whitmore, A. E., 324
Wiener, W. T. G., 557
Wigram, Lord, S142
Wilkie, George, 262, 273
Wildblood, G. W., S146
Wilkinson, R. H., S128
William, the Conqueror, 442
Williams, Arthur, 269
Williams, A. P. B., 284
Williams, G. H., 314, 316-17, 321-22
Williams, J. H., S61
Williams, Rt. Rev. L. W., 303
Williams, N. B., 334
Willingdon, Marquis of, S146
Willis, E. F., 25, 92, 369-72
Willis, R. G., 369
Willis, S. J., 413

Wilson, Sir Arnold, 171
Wilson, Hon. Cairine, 83
Wilson, H. J., 366
Wilson, J. A., 651
Wilson, Hon. J. M., 628, S38
Wilson, Morris W., 405, 628, S16-7, S113
Wilson, W. J. Blake, 628, S16
Windle, Sir Bertram, S127
Windsor, H.R.H. Duke of (see also Edward VIII, King and Wales, Prince of), 177
Winfield, J., S83
Winspear, Miss M. W., 248
Wismer, Gordon S., 413
Wodehouse, Lt.-Col. R. E., 166
Wood, Arthur B., S113
Wood, H. M., 443
Wood, J. S., 384
Woods, Prof. D. S., 388
Woods, James H., 9, 178
Woods, W. B., 164
Woodsworth, Rev. H. F., 248
Woodsworth, J. S., 17-8, 25, 27-8, 50, 54, 59-60, 66, 68, 97-9, 116
Wotherspoon, Mrs. M. C., S132
Wrench, Sir Evelyn, S146
Wright, Horace, 462
Wright, H. N., 413
Wright, Lord, 88-91
Wright, Peter, 200
Wright, Prof. Ramsay, 247
Wright, Dr. V. W., 366
Wright, William H., 270
Wrong, G. M., S127, S132
Wrong, Hume, 182

York, H.R.H., Duke of (see George VI, King), 168, 174-76
Young, A. C., 254
Young, A. M., 119
Young, E. J., 156-58, 500
Young, M.D., H. E., 411

Zavitz, Charles A., 250

INDEX OF AFFAIRS

Abdication of King Edward VIII, 2, 80-2, 172-77
Abitibi Power and Paper Co., 529
Acadia, C.G.S., 642, 643
Acadia University, 430
Accession of King Edward VIII, 2, 72-3, 93, 169, 181, 226, 227, 279, 353, 378, 400, 426, 448, 465
Accession of King George VI, 2, 82-3, 177, 181
Accidents, Industrial, 495-96
Accidents, Fatal, 144
Adjustment of Debts Act, Sask., 318
Advance Report of the Manufacturing Industries in Canada, 592
Advisory Committee on Agricultural Services, 553-54
Advisory Wheat Committee, 74
Agricultural Conference, 551
Agricultural Development Act Amendment, Ont., 224
Agricultural Industries Stabilization Act, 346-47
Agricultural Merit Competition, Que., 295
Agricultural Revenue, 473
Agricultural Settlement, 2
Agriculture, Dom.-Provincial Conference, 72, 87, 551

AGRICULTURE, 549-73
Dairy Products, 571-73
Dept. of, 551
Experimental Farms, 552-53
Farm Loan Board, 557-58
Farmers' Creditors Arrangement Act, 558-59
Field Crops, 564-65
Fruit and Floriculture, 569-70
Grain Commissioners, 555-57
Honey, 570
Live Stock, 550, 570-71
Maple Sugar and Syrup, 570
Natural Products Marketing Act, 559-60
Prairie Farm Rehabilitation Act, 554
Production, 550
Revenue, 550
Statistical Summary, 473
Surveys, 548-49
Tobacco, 568-69
Trade, 551
Wages, 549-50
Wealth, 549
Wheat Board, 560-64
Wheat Export, 567
Wheat Situation, 565-67
Air Mail, 649
Aircraft Production, 600

ALBERTA, 335-66
Agriculture, 359-61
Bond Interest Reduction, 338-39, 345, 356, 522
Bond Issue, 345
Budget and Debate, 344-46, 354-55
By-Elections, 352
Cabinet Changes, 335-36, 341, 352, 365
Coal, 362-63
Conservative Leader, 336, 343, 345, 349, 350-51, 353, 356-57
Death of King George V, 353
Debt, 335-36, 338, 341, 345, 354-55
Debt Adjustment, 346-47, 349, 358
Deputy Heads of Departments, 366
Dom. Loans, 21, 85-6, 101-02, 337, 344, 503
Douglas Report, 350
Drought Problems Committee, 340
Education, 361-62
Executive Council, 352, 365
Farm Relief, 344-47
Fisheries, 362
Forestry, 362
Gaols, 364
General Conditions, 335
General Election, 335-37, 349-52
Hail Insurance, 365
Health Dept., 364
Health Insurance, 347
Health Services Commission, 340
Highways, 363-64
Insurance, 347, 364-65
Irrigation Inquiry, 340
Labour, 364
Lands and Mines, 362-63
Legislation, 345-49, 356-58
Legislative Proceedings, 1935, 342-49
Legislative Proceedings, Feb.-April, 1936, 353-57
Legislative Proceedings, Aug.-Sept., 1936, 357-58
Liberal Leader, 342, 345, 351-54, 357
Lieutenant-Governor, 341, 352, 365
Liquor Board, 365
Minimum Wage Board, 341, 357
Municipal Affairs, 347, 365
Oil, 362
Old Age Pensions, 351, 364
Pool Elevators, 360-61
Prime Minister, Mr. Aberhart, 337-39, 352-53, 357, 360
Prime Minister, Mr. Reid, 336, 343, 351-52
Public Accounts, 341, 343-44, 354
Public Works, 363-64
Research Council, 362
Resolutions, 348-49
Social Credit Movement, 335 *et seq.*, 348-49 *et seq.*
Speech from the Throne, 342, 353, 357
Tax Changes, 345, 355
Tax Inquiry, 339-40
Telephones, 344
Trade and Industry, 341-42, 356
Unemployment and Relief, 342, 344, 347, 358, 360
United Farmers, 335-36, 348-49, 351-52, 360
Vital Statistics, 364
Wheat Pool, 360-61
Workmen's Compensation, 364
Alberta Bondholders' Committee, 339
Alberta Co-operative Council, 360
Alberta Credit House, 358
Alberta, Natural Resources Investigation, 158-59
Alberta Rural Credit Corporation, 344-45
Alberta Teachers' Ass'n, 348, 357
Alberta Telephone System, 653
Alberta Trade Office, Montreal, 341
Albertan, The, Calgary, 338
Alcoholic Beverages Industry, 598-99
Algoma Central and Hudson Bay Railway Co., 534
Algoma Consolidated Corporation, Ltd., 534
Algoma Steel Corporation, 23, 534-35
All-Canadian Congress of Labour, 508
Aluminum Co. of Canada, Ltd., 580-81
Aluminum Production, 580-81
Amalgamated Mine Workers, 416-17

American Cyanamid Companies, 430
American Federation of Labour, 511
Ames & Co., Ltd., A. E., 523
Amputations Assn. of the Great War, 129, 187
Anaconda American Brass Ltd., 608
Animal Products, 474, 595
Annual Survey of Education for Canada, 1936, 152
Annuities, Government, 127, 507-08
Anthes and Sons, 608
Anthracite, Commission of Investigation, 165-66
Antonia, S.S., 187
Apple Growers' Assn., 560
Appointments, Dom., 9, 70
Appropriation Acts, Dom., 50
Architectural Conservancy of Ontario, S132-33
Arctic Patrol, 147
Armentières, H.M.C.S., 147
Army and Navy Veterans' Assn. in Canada, 129
Asbestos Production, 474
Ascania, S.S., 187
Assessment Act Amendment, Ont., 201-02, 238-40
Assessment Appraisers Ltd., 377
Assets, Dom., 102, 108-09
Atlantic Fisheries, 74, 588
Atlantic Speed Record, 647
Australia, Tariff Regulations, 613
Australia, Trade Agreement with, 10
Austria, Trade Agreement with, 11
Automobile Production, 596
Aviation, 132, 146, 649-51

"Back to Niagara" Policy, 231
Bain, H. R., & Co., S155
Balance of International Payments, Can., 514
Balance of Trade, 601
Bank Assets and Liabilities, 518
Bank Branches, 521

BANK OF CANADA, 3, 11, 20, 65, 86, 94, 109, 115-17, 130, 193, 308, 320, 338, 339, 349-50, 384, 400, 513, 519-21
- Assets and Liabilities, 519-20
- Bank of Canada Act Amendment, 95, 115-17
- Deposits, 520
- Directors, 75
- Foreign Exchange, 513
- Holdings, 515
- Notes, 516, 519-20
- Operations, Survey of, 519-21

Bank of Canada Statistical Summary, 515-17
Bank Clearings, 479, 483
Bank Debits, 479, 483
Bank Deposits, 517-18
Bank Dividends, 518
Bank Earnings, 518
Bank Holdings, 484, 515
Bank Loans, 518
Bank of Montreal, 115, 283, 518, 521
Bank Notes, 478, 483, 516-18
Bank Notes, Bilingual, 116
Bank of Nova Scotia, 518, 521
Bank Payments, 517
Bank Profits, 518
Bank Stocks, 531-32
Bank of Toronto, 518, 521, S98-101
Banking, Statistical, 478, 483, 515 *et seq.*
Banking System, 515 *et seq.*
Bankruptcies, 479, 483
Bannister Murder Case, 442-43
Banque Canadienne Nationale, 283, 302, 521
Banque Provinciale du Canada, 518, 521
Barclays Bank (Canada), 521
Barley, 473, 567-68
Barron's Monthly Index of Production and Trade, 511
"Basic Dividends", Alberta, 336-38, 349, 353, 358
Battleford Mental Hospital, 329
Beauharnois Light, Heat and Power Co., 535
Beer Prices, Man., 373
Beetroot Sugar, 569
Beet Sugar Industry, Man., 378
Bell Telephone Co. of Canada, 240, 530, 652-53
Bennett Reform Legislation, 1935 (see Reform Legislation)
Bessborough Hotel, Saskatoon, 624
Big Bend Highway, Gap, 131
Bilingual Bank Notes, 116
Biological Board of Canada, 589-90
Birks & Sons, Ltd., Henry, 608
Births, 479
Bismuth Production, 579
Blind, Pensions for, 57
Board of Grain Commissioners, 555-57
Board of Railway Commissioners, 622-23
Boards of Review, Farmers' Creditors Arrangement Act, 558-59
Board of Trade, 144
Bonar Law Memorial, Richibucto, 442
Bond Interest Reduction, Alberta, 338-39
Bond Issues, Dom., 70, 74-5, 102, 523-25
Bond Issues, Prov. (see under various provinces)
Bond Market, 521 *et seq.*
Bond Redemption, "Gold Clause", 86
Bond Sales, 523-24
Bond Yields, 484
Bonuses for Industries, Municipal, 202-03
Book of Remembrance, Memorial Chamber, 189
Books of 1934, 1935, 1936, Canadian, 659 *et seq.*
Borstal System, England, 11, 137-38
Boundary Demarcation, 149
Bradshaw Report, Vancouver Finances, 394, 399
Brandon, Sask. and Hudson's Bay Railway Co., 623
Brandon, Supervisor, 372
Brazilian Traction Light and Power Co., 530
Bread Industry, Man., Inquiry, 375
Bridge Traffic, International, 648
British Broadcasting Corporation, 121, 175
British Coal Corp., 506

BRITISH COLUMBIA, 390-413
- Agriculture, 409
- "Better Terms", 390-93
- Bond Issues, 391, 403
- Budget and Debate, 399-400, 404-05
- By-Elections, 397, 402-03
- Cabinet Changes, 413
- Coal Inquiry, 409
- Conservative Leadership, 397
- Co-operative Commonwealth Federation, 396-97, 401, 405
- Death of King George V., 400
- Debt, 390, 399, 400, 404
- Debt Refunding, 390-92, 400, 403
- Deputy Heads of Departments, 413
- Dom. Loans, 21-2, 101-02, 391-92
- Economic Council, 406
- Education, 406-07
- Executive Council, 413
- Fisheries, 410
- Forestry, 391, 411
- Fraser River Bridge, 391, 393, 398, 407
- General Conditions, 390-93, 405
- Health, 411-12
- Health Insurance, 392, 399, 401-03, 412
- Highways, 392, 407

Industrial Relations Board, 408
Labour, 408-09
Lands, 410-11
Legislation, 398, 401-02
Legislative Proceedings, 1935, 397-400
Legislative Proceedings, 1936, 400-05
Liberal Party, 397
Lieutenant-Governor Appointed, 393
Liquor Control, 413
Marketing Legislation, 393
Mines, 409
Mothers' Pensions, 408-09
Municipal Affairs, 392-96, 405, 412-13
Old Age Pensions, 408
Petroleum Inquiry, 409-10
Public Accounts, 399, 403
Public Works, 407-08
Railways, 390, 393, 398, 400, 404
Social Credit Party, 397
Special Powers Act, 398
Speech from the Throne, 397-98, 400-01, 402-03
Strikes, 395-96
Unemployment and Relief, 390-91, 393, 395-96, 397, 399-400, 403-05, 407-08
Vancouver (City) Affairs, 393-96, 398-99
Vancouver Island Claims, 390, 392-93
Victoria (City) Finances, 395
Vital Statistics, 412
Workmen's Compensation, 408
B.C. College of Surgeons and Physicians, 401-02
B.C. Electric Railway Co. Ltd., 632
B.C. Liberal Assn., 397
B.C. Packers Ltd., 608
B.C. Relief Camps, 52-3, 162-63, 395
B.C. Social Credit League, 397
B.C. Social Credit Union, 397
B.C. Telephone Co., 653
British Commonwealth Conference on Scientific Research, 181
British Commonwealth Statisticians Conference, 575-612
British Empire Service League, 186
British Insurance Companies in Canada, 542
B.N.A. Act Committee, House of Commons, 50
B.N.A. Act, Proposed Amendments, 15, 50, 72, 84, 86-7, 93, 99, 125-27, 323, 414, 425, 427, 439-40, 449
British Preference, 104, 320
Brownlee-MacMillan Case, Alberta, 340-41
Brooms, Brushes and Mops, 599
Brudenell Point Memorial, P.E.I., 462
Budget, Dominion, 1935, 19 *et seq.*
Budget, Dominion, 1936, 99 *et seq.*
Building Permits, 475, 480
Burials Act Amendment, Man., 381
Burrard Inlet Bridge, 393
Burwash Reformatory Inquiry, 207-08
Butter, 10, 473, 572
By-Elections, Alberta, 352
By-Elections, B.C., 397
By-Elections, Federal, 71, 92, 396-97
By-Elections, Man., 368
By-Elections, Ont., 208, 210
By-Election, N.S., 419
By-Election, P.E.I., 462
By-Elections, Sask., 324

Cadmium Production, 579
Calgary Street Railway, 632
Call Loans, 484
Camps, Unemployment, 52-5, 395
Canada Bread Co. Ltd., 535
CANADA, Dominion of (Federal Affairs, Departmental Reports, etc.)
Abdication of Edward VIII, 80-2
Agriculture, Dept. of, 73-4, 87, 551-52
Appointments, 9, 70, 77
Assets, 108
Aviation, 146
Banking Legislation, 95, 109, 115-17
Bond Issues, 70, 74-5, 102
Bonded Debt, 107
B.N.A. Act, 93, 125-27
Budget and Debate, 19 *et seq.*, 99 *et seq.*
By-Elections, 71, 92
Cabinet Changes, 8, 124
Chief Officers, 166-67
Civil Service, 151-52
Commission of Inquiry, 154-66
Commons, House of, 10 *et seq.*, 93 *et seq.*
Criminal Code, 35-6, 109, 122
Criminal Statistics, 134
Debt, 23, 102, 108
Deputy Heads of Departments, 9, 166
Dissolution of Parliament, 8
Divorces, 138
Dom.-Provincial Conferences, 71-2, 83 *et seq.*
Education, 152-53
Electoral Machinery, 49, 123-24, 128-29
Estimates, 19, 21-2, 25, 99, 102
Expenditures, 21-2, 100-01, 108-9
External Affairs, 180-86
Farm Relief, 33-4, 43-5, 117-18, 124-25
Finances, 107-09
Fisheries, Dept. of, 74, 588
General Elections, 59 *et seq.*
Governor-General, 58, 93, 178-80
Health, 140-41
House of Commons, 10 *et seq.*, 93 *et seq.*
Immigration and Colonization, 73, 124, 150-51
Indian Affairs, 73, 150
Interior, Dept. of the, 73, 124, 147-50
Justice, Dept. of, 134 *et seq.*
Labour, Dept. of, 496 *et seq.*
League of Nations, 78-80
Legations, 182-83
Legislation, 28 *et seq.*, 58, 109 *et seq.*, 133
Liabilities, 22-3, 102, 107
Loans to Provinces, 83 *et seq.*
Marine, Dept. of, 73, 124, 642-44, 656-57
Mines, Dept. of, 124, 132, 583-85
Mines and Resources, Dept. of, 73, 124, 149-50, 585
Ministry, Conservative, 9
Ministry, Liberal, 69, 166
National Defence, Dept. of, 52, 73, 75-6, 132, 145-47
National Research Council, 153-54
National Revenue, Dept. of, 139-40
Old Age Pensions, 21, 87, 100
Opposition Leader, Mr. Bennett, 91-2, 94-5, 105-07
Opposition Leader, Mr. King, 12, 62 *et seq.*
Penitentiaries, 135-38
Pensions and National Health, Dept. of, 21, 140-44
Postal Affairs, 161-62
Postmaster-General, 628-29
Prime Minister's Activities, Mr. Bennett, 2 *et seq.*
Prime Minister's Activities, Mr. King, 72 *et seq.*, 189-90
Public Works, Dept. of, 144
Radio, 47-8, 73, 121-22, 129
Railway Legislation, 45-6, 120-21, 125
Railways and Canals, Dept. of, 21, 73, 124
Revenue, 21-2, 100, 108
Royal Can. Mounted Police, 124, 134-35

Secretary of State, 144-45
Senate, 29, 32, 34, 36-8, 47, 56, 70, 109-10, 114-15, 119-21, 126-28, 130
Session, Houses of Parliament, 1935, 10, *et seq.*
Session, Houses of Parliament, 1936, 93 *et seq.*
Shipping Legislation, 122
Soldier Settlement, 73, 123, 151
Tariff Changes, 24-5, 103-05
Taxation Changes, 23-4, 102-03
Titles, 177-78
Trade of Canada, 20, 139, 601-07
Trade and Commerce Dept., 612-13
Transport, Dept. of, 73, 124
Unemployment and Relief, 29-31, 52-5, 74, 93, 95-6, 99, 101, 109, 114-15, 123, 147
Vital Statistics, 142-44
Canada Gazette, The, 80, 115
Canada Grain Act, 555
Canada Life Assurance Co., 543, S109-10
Canada Metal Co. Ltd., 608
Canada Paper Co., 535-36
Canada Permanent Trust Company, S153
Canada Shipping Act, Amendment, 122
"Canada Standard" Trademark, 32
Canada Starch Co. Ltd., 608
Canada Steamship Lines Ltd., 530, 646
Canada Temperance Act, 144, 203, 269
Canada-United States Trade Agreement Act, 110-14
Canada and World Economic Recovery, 510 *et seq.*
"Canada's Eastern Arctic," 147
Can. Advisory Office, Geneva, 184-85
Can. Assn. of Tourist and Publicity Bureau, 613, 635-36
Can. Bank of Commerce, 518, 521, S84-93
Can. Bankers' Assn., 219, 521
Can. Bar Assn., 430
Can. Battlefields Commission, 187
Can. Battlefields Memorial Commission, 187
Canadian Books of 1934-36, 659 *et seq.*
Can. and British Insurance Companies Act, 125
Canadian Broadcasting Act, 121-2
Canadian Broadcasting Corporation, 73, 121-2
Can. Celanese Co., 290
Can. Chamber of Agriculture, 455, 551
Can. Chamber of Commerce, 128, 615-16
Canadian Club, Montreal, 617
Can. Construction Assn., 4
Can. Co-operative Wheat Producers Ltd., 23, 26, 39, 40, 42, 51-2, 117, 146, 503, 560-63
Can. Copper Refiners Ltd., 580
Can. Corps Assn., 129
Can. Cottons, Ltd., 18
Can. Dollar, 513-14
Can. Ex-Service Men, London, 181
Can. Farm Loan Act Amendment, 43-4, 557
Can. Farm Loan Board (see Farm Loan Board)
Can. Federation of Labour, 508
Can. Fisheries Assn., 589
Can. Fisherman's Loan Act, 43
Can. Good Roads Ass'n, 635
Can. Government Merchant Marine Ltd., 645-46
Can. Handicrafts Guild, 460
Can. Hydrographic Service, 642-43
Can. Import Co. Ltd., 506
Can. Industrial Alcohol Co. Ltd., 536
Can. Industries League, 202
Can. Industries Limited, 115, S51-60
Can. Institute of Mining and Metallurgy, 586-87
Can. Labour Party, Alberta Branch, 351
Can. Legations, 182-84
Can. Legion, 129, 165, 186-87, 190, 222
Can. Life Insurance Officers' Assn., 467
Can. Live Stock Co-operative Maritime Branch, 432
Can. Lumbermen's Assn., 290, 433
Can. Manufacturers' Association, 600, S72-83
Can. Marconi Co., 654, 656
Can. Medical Assn., 402
Canadian Mineral Industry, The, 577
Can. National-Can. Pacific Act, 120-21
Can. National Exhibition, 75, 161, 204, 216, 615
Can. National Institute for the Blind, 57

CANADIAN NATIONAL RAILWAYS, 14, 23, 42, 66, 94, 107, 390, 392, 418, 437, 438, 458, 498, 506, 616-20, 624-25
Annual Report, 624
Bonds, 75
Budget, 101
Capital Structure, 616, 617
Deficit, 23, 515
Directorate, 73, 120, 624
Economies, 625
Employees, 624
Express, 629
Funded Debt, 616, 620, 625
General Finances, 624
Hotels, 624, S148-49
Legislation, 45-6, 120-21, 125
Statistics, 624-25
Steamships, 645
Telegraphs, 654
Trustees, 73, 624
Can. National Steamships, 22
Can. National (West Indies), Steamships, Ltd., 645

CANADIAN PACIFIC RAILWAY, 23, 42, 46, 132, 240, 498, 506, 530, 617, 625-28
Annual Meeting, 625-26
Bond Issues, 627
Earnings, 626
Economies, 627
Express, 629-30
Freight, 627
General Finances, 626-27
Golden Jubilee, 628
President's Activities, 616-17, 625-26
Staff Changes, 628
Statistics, 625-27
Steamships, 646-47
Telegraphs, 654
Can. Pacific Express Co., 629-30
Can. Pacific Steamships Ltd., 646-47
Can. Parliamentary Guide, 67
Can. Pensioners' Assn., 129
Can. Pensions Commission, 141
Can. Performing Rights Society, Ltd., Commission of Investigation, 160-61
Can. Pool Agencies, Ltd., 383
Can. Press, the, 4-5, 25, 59, 76, 80, 197-98, 200, 307, 349
Can. Railway Club, 616
Can. Radio Broadcasting Act, 1932, 129
Can. Radio Broadcasting Commission, 47-8, 59, 65, 121, 129, 654 *et seq.*
Can. Radio Commission, 654 *et seq.*
Can. Red Cross Society, 147, 179, 442
Can. Review Company Limited, S159
Can. Seed Growers' Assn., 557
Can. Society of New York, 5
Can. Tourists Abroad, 614
Can. Transit Ass'n, 648-49
Can. Travel Bureau, 614

Can. Wheat Board (see Wheat Board)
Can. Wheat Board Act, 37-41, 561-62
Can. Wheat Pool, 39-40, 560-64
Canals, 477, 481, 641-44
Cancer, 143-44
Cancer Commission, Sask., 330
Cancer Committee, Ont., 260
Cape Breton Highlands National Park, 414, 424-25, 428
Capital Expenditures, 21, 22, 100, 109
Capital Punishments, Ont., 271-72
Capital Reorganizations, 534-41
Capitalist System, Reform of, 12-3
Car Loadings, 476, 481
Carnegie Corporation, 247, 407, 465
Cartier, C.G.S., 642
Catholic Taxpayers Assn., 200-02
Central Electric Stations, 474, 590-91
Central Manitoba Mine, 586
Central Selling Agency, 560-61
Cereal Experiments, 553
Chamber of Shipping, 51
Chambers of Commerce, British, 181
Champlain, H.M.C.S., 76, 147, 187
Charlottetown, Legislation re, 466, 491
Chateau Laurier, 5
Chats Falls Power Company, 198, 211, 218, 230
Cheese, 473, 572
Chemical and Allied Industries, 474, 597
Chicoutimi Harbour, 118, 639
Child Welfare Act Amendment, Man., 381
Christmas Broadcast, King George V, 169
Church of England, 463
Churchill Harbour, 641
City Property Owners, Resolution re, 131
Civil Aviation, 146
Civil Service of Canada, 3, 125
Civil Service Commission of Canada, 151-52
Civil Service Legislation, N.S., 423, 425
Civil Service Superannuation Act, B.C., 398
Clarkson, Gordon, Dilworth, Guilfoyle & Nash, 45, 616
Clothing, Cost of, 493
Coal, Anthracite, 165-66
Coal, Canadian, 65
Coal, Dom. Fuel Board, 585-86
Coal Imports, 579
Coal Industry Inquiry, Alberta, 363
Coal Industry, Inquiry, Sask., 318-19
Coal Mine Labour Disputes, N.S., 416-17
Coal Mining Act, Sask., 318
Coal Mining Industry Act, Sask., 490
Coal and Petroleum Inquiry, B.C., 409-10
Coal Production, 474, 480, 579
Coal and Steel Delegation, N.S., 417
Coalhurst Explosion, 363, 495
Coastal Surveys, 642-43
Cobalt Production, 578
Cod Fisheries, 589
Cold Storage Holdings, 476
Collective Lahour Agreements Extension Act, Que., 297
Colonial Fastener Co. Ltd., 608
Combines Investigation Act, 28, 32, 49, 109-10, 156-57, 506-07
Commercial Aviation, 549-51
Commercial Failures, 533-34
Commercial Intelligence Service, 612

COMMISSIONS OF INVESTIGATION AND INQUIRY,
Anthracite, 165-66
Athletic Commission, Ont., 205
Bread Industry, Man., 375
Burwash Reformatory, Ont., 207-08
Can. Performing Rights Society Ltd., 160-61, 655
Coalhurst Explosion, Alberta, 363
Coal Industry, Alberta, 363
Coal Industry, B.C., 409
Coal Industry, Sask., 318-19
Copyrights, 124
Economic Situation, N.S., 414
Electricity, Que., 275, 277-78
Employment of Ex-Service Men, 164-65
Grains and Grain Produce, 130, 155-56
Irrigation, Alberta, 340
MacPhail-Dawson Charges, 161
Manufacturers Finance Corp., Ont., 205-06
Maritime Claims, 159-60, 438, 460, 463
Matheson Charges, Ont., 207
Milk and Cream, N.S., 421
Moose River Mine, N.S., 421-22
Natural Resources of Sask. and Alta., 158-59
Ont. Power Service Bonds, 56, 212
Penal System, 156
Petroleum Industry, B.C., 409-10
Price Spreads and Mass Buying, 28, 31-2, 35, 37, 43, 49, 156-58
Regina Riots, 98, 313-14
Relief Camps, B.C., 162-63
Royal Can. Mounted Police, 163-64
Saint John Civic Government, N.B., 445
Saint John Hydro-Electric, 458
Taxation, Sask., 308
Textile Industry, 96, 155
Toll-Gate Charges, Ont., 206-07
Toronto Police Dept., 206
Waterloo Post Office, 161-62
Workmen's Compensation, N.S., 417-18
Committee of Eighteen, 181
Committee for Industrial Organization, 511
Committee of Twenty-Eight, League of Nations, 185
Commodity Prices, 19

COMMONS, HOUSE OF (Canada) Session of 1935, 10 *et seq.*
Address to Governor-General, 58
B.N.A. Act Committee, 50
Budget, 19 *et seq.*
Committees, 46, 50-2
Companies Act, 36-7
Co-operative Commonwealth Federation, 27
Criminal Code, 15, 35-6
Debate on the Address, 12 *et seq.*
Debate on the Budget, 25 *et seq.*
Divisions, 28, 30-2
Dom. Trade and Industry Commission, 31-2
Economic Council of Canada, 44-5
Employment and Social Insurance, 29-31
Estimates, 19, 21, 25
Farm Relief, 33-4, 43-5
Flag, National, 57
Housing Act, 42-3
Incidents of the Session, 56-7
Legislation, 28 *et seq.*, 58
Miscellaneous Acts, 49-50
Natural Products Marketing Legislation, 34-5
New Members, 10
Opening, 10
Progressive Party, 17-8

Prorogation, 57-8
Radio Broadcasting, 47-8
Railways, 22, 26, 45-6
Reply to the Speech from the Throne, 11
Speaker, Election of, 10
Speech from the Throne, 11
Standing of Parties, 67
Tariff Changes and Legislation, 24-5, 48
Tax Changes, 23-4
Unemployment and Relief, 29-31, 52-5
Vacancies, 10
Wheat Board Legislation, 37-41, 50-2

COMMONS, HOUSE OF, Session of 1936, 93 *et seq.*
Address to King Edward VIII, message to Queen Mary, 93
Banking Legislation, 95, 115-17
British North America Act, 93, 125-27
Budget, 84, 99 *et seq.*
Committees, 123, 128-30, 132
Co-operative Commonwealth Federation, 107, 130
Criminal Code, 109, 122
Debate on the Address, 94 *et seq.*
Debate on the Budget, 105 *et seq.*
Departmental Mergers, 124
Divisions, 99, 107, 113, 116
Economic Council, 124
Election Changes, 123-24, 128-29
Employment Commission Act, 114-15
Estimates, 99
Farm Relief, 117-18, 124
Governor-General, 93
Harbours Board, 118-20
Incidents of the Session, 130-32
Italy, Sanctions Against, 94, 97
Legislation, 109 *et seq.*, 133
Miscellaneous Acts, 124-25
Opening, 93
Pensions and Returned Soldiers, 122-23, 129
Prorogation, 132-33
Radio Broadcasting, 121-22, 129
Railways, 120-21, 125
Reconstruction Party, 107
Reply to the Speech from the Throne, 94
Resolutions, 130-31
Social Credit Party, 107, 130
Speaker, Election of, 93
Special Committees, 128-29
Speech from the Throne, 93-4
Tariff Changes, 103-05
Tax Changes, 102-03
Trade Agreements, 94-5, 96-7, 104, 106, 109-14, 124, 132
Trans-Canada Highway, 131
Unemployment and Relief, 93, 95, 99, 101, 114-15, 123
War Veterans Legislation, 122-23
Wheat Legislation, 117-18
Wheat Marketing Committee, 129-30
Communism, 52, 54, 396
Communist Club, University of Toronto, 247
Communist Party, 269, 313
Companies Act, 3, 28, 36-7, 157
Companies Act Amendment, N.S., 424-25
Companies Incorporated, 145
Company Laws, Dom.-Prov. Conference, 72
Confederation Life Association, 543, S114-15
Connaught Laboratories, 246
Connaught Laboratories, Western Division, 407
Conservative Administration, 1935, 1, 2 *et seq.*
Conservative Leadership, Dominion, 8
Consolidated Mining and Smelting Co. of Canada, Ltd., 528, 536, 582, S41-50
Consolidated Paper Corporation Ltd., 536
Constitution Hill Incident, 170
Constitution, Right to Amend, 15
Constitutional Amendments, Dom.-Prov. Conference, 72 (see also B.N.A. Act)
Constitutional Crisis, King Edward VIII, 170-72
Controverted Elections Act, Amendment, Ont., 224
Construction Industry, 592-93
Construction Statistics, 475, 480
Conversion Loans, 7, 75
Co-operative Commonwealth Federation, 27, 66, 68-9, 97-8
Co-operative Commonwealth Federation, B.C., 396-97, 401
Co-operative Commonwealth Federation, Man., 370, 372
Co-operative Commonwealth Federation, Ont. Prov. Council, 269-70
Co-operative Commonwealth Federation, Sask., 314, 316-17, 321
Co-operative Commonwealth Youth Movement, 369
Co-operative Marketing Loan Act, Amendment, Ont., 224
Copp Clark Company Limited, S162
Copper Production, 474, 578, 579-80
Copyright Amendment Act, 49, 124
Copyright Appeal Board, 124
Copyright, Inquiry, 160-61
Corbin Coal Mines, Ltd., 396
Coronation of King Edward VIII, Plans for, 170
Coronation of King George VI, Plans for, 181
Coroners' Act, Amendment, Man., 381
Corporation Bonds, 522, 523
Corporations Tax Act, N.B., 452-53
Corporations Tax Act, Amendment, Ont., 223
Corporation Tax Act, Sask., 311
Coryell Snowslide, 495
Cost of Government, Proposed Reduction, 87
Cost of Living, 492-95
Cotton Industry, 18
Cotton, Raw, Imports, 480
Cotton Workers Strikes, 504
Council of Agriculture, Que., 295
Council of Child and Family Welfare, 17
Council of Social Welfare, 125
Court of Revision, Ont. School Taxes, 202
Crawford, F. J., & Co., S156
Credit of Canada, in United Kingdom, 7-8, 197, 219-20
Credit House Act, Alberta, 338, 358
Crescent Heights High School, Calgary, 335
Cricket in Canada, S134-137
Criminal Code Amendment Act, 35-6, 122
Criminal Code, Amendment, Minimum Wage Law, 489
Criminal Code, Section 98, 15, 62-3, 109, 122, 134, 163, 312, 314
Criminal Code, Section 498A, 28, 88
Criminal Statistics, 134
Crow's Nest Pass Coal Co., 587
Cunard White Star, 647
Currency, Statistical, 478, 483
Current Loans, 483
Customs Act, 1927, Amendment, 124
Customs Duties, 100
Customs Revenue, 139
Customs Tariff Amendment 48

Dairy Act, 1927, Amendment, 125
Dairy Industry, Equalization of Prices, 35
Dairy Products Act, N.B., 444
Dairy Production, 473, 571-73
Dairyman's Act, Amendment, Alberta, 348
Dalhousie University, 430
David Dunlap Observatory, 246-47
Death of King George V, 2, 72-3, 93, 169, 181, 226, 227, 279, 353, 378, 400, 426, 448, 465
Deaths, 142-44, 479
Debt Adjustment Act, 3
Debt Adjustment Act, Alberta, 358
Debt Adjustment Board, Alberta, 347
Debt Conversion Proposals, Ont., 193-94, 228
Debt Increase, 21, 23, 515
Debt, National, 6, 75, 102, 108, 516
Debt, Provincial, 516
Defaulted Liabilities, 483
Defence Policy, 75-6
Deferred Elections, Man., 371
Deficit, Dom. Budget, 101
Delaware and Hudson Railroad, 635
Demand Deposits, 478, 483
Departmental Mergers, 73, 124
Departmental Reports (see under Canada, Dominion of, and various Provinces)
Department Store Operation, 158
Department of Trades and Industries Act, Alberta, 356
Deportations, 144, 151
Deputy Heads of Departments, Dom., 9, 166
Detroit and Canada Tunnel Corp'n, 649
Display Advertisements, S147 *et seq.*
Diocesan Colonization Societies, Que., 296-97
Dionne Quintuplets, 225
Dissolution of Parliament, 8
Distilled Spirits, U.S. Labelling Regulations, 182
Distilling Corporations, U.S. Claims Against, 182
Divorces, 138
Dolbeau Paper Mill, 290
Dollar, Canadian, 513-14
Dom. Astrophysical Observatory, 149
Dom. Bank, 518, 521
Dom. Bridge Co., 391
Dom. Bureau of Statistics, 138, 142, 152, 433, 456, 467, 469, 485, 487, 493, 494, 512, 513, 514, 517, 526, 529, 531, 548, 551, 564, 566, 568, 569, 574, 576, 577, 579, 587, 593, 598, 599, 605, 606, 607, 613, 614, 620, 633, 640, 641, 651, 653
Dom. By-Elections Franchise Act, 123-24
Dom. Coal Co. Ltd., 416, 536-37
Dom. Commercial Travellers' Assn., 10
Dom. Elections Act, 49, 123, 128
Dom. Finances, 107, 515-16
Dom. Finance, Statistical, 478
Dom. Forage Crops Laboratory, Saskatoon, 553
Dom. Foundries and Steel, Ltd., 537
Dom. Franchise Act, Amendment, 49, 123-24
Dominion Fuel Board, 585-86

DOMINION GENERAL ELECTION, 1935, 59 *et seq.*
Cabinet Ministers Defeated, 68
Communists, 67
Conservative Campaign, 60-2
Co-operative Commonwealth Federation, 59, 61, 66, 68-9
League for National Government, 67
Liberal Campaign, 62-5
"Mr. Sage" Broadcasts, 60
Nominations, 59-60
Popular Vote, 67
Provincial Prime Ministers, 63-4, 68
Radio Addresses, Mr. Bennett, 59, 60-1
Radio Addresses, Mr. King, 62-4
Reconstruction Party, 59, 61, 65-6, 68
Results, 67-9
Social Credit Party, 67
Dom. Grain Research Laboratory, 556
Dom. Housing Act, 9, 42-3, 74
Dom. Lands Administration, 147-48
Dom. Marketing Board, 157, 559-60
Dom. Mortgage and Investment Assn., 306
Dom. Notes Act, Amendment, 516
Dom. Observatory, Ottawa, 149
Dom.-Prov. Agricultural Conference, 87, 551
Dom.-Provincial Conference, 1, 71-2, 83 *et seq.*, 93, 99, 193, 204, 320-21, 338, 367, 390, 391, 392, 401, 404-05, 414, 427, 439-40, 448-49, 497, 498
Dom.-Provincial Conference, *Agenda* and Reports, 71-2, 497
Dom.-Provincial Finance Committee, 373
Dom.-Provincial Financing, 75
Dom.-Provincial Relations, 83 *et seq.*
Dom. Relief Land Settlement Act, 1932, 256
Dominion Securities Corporation Limited, S154
Dom. Steel and Coal Corporation, 415, 424, 537
Dom. Tariff Board (see Tariff Board)
Dominion Textiles Co. Ltd., 18
Dom. Trade and Industry Act, 612
Dom. Trade and Industry Commission, 1, 9, 28, 31-2, 156, 612
Dom. Trade and Industry Commission Act, 88-9, 506
Donnacona Paper Co. Ltd., 537-38
Douglas Report, Alberta, 350
Dow-Jones Averages, 511
Draft Conventions, International Labour Organization, 29
Drought Areas Committee, Alberta, 340
Drought Areas, Committee (Man.), 373-74
Drought Problem, 11, 74
Drumheller Coal Mine Strike, 503
Duchess of Bedford, S.S., 187
Dun and Bradstreet, 483
Duncan Commission, 11, 159, 160, 414, 426, 438, 460

Eaton Endowment, 247
Economic Advisory Council, N.S., 414-15
Economic Council of B.C., 406
Economic Council of Canada, 3, 124
Economic Council of Canada Act, 44-5
Economic Recovery, Canada, 512-13
Economic Recovery, World, 510 *et seq.*
Economic Reform Legislation, Bennett Government's (See Reform Legislation, 1935)
Economic Safety League, Alberta, 351
Economic Situation Inquiry, N.S., 414
Economic Situation, Statistical, 471
Economist, The, 510
Edmonton Bulletin, The, 349

Edmonton Chamber of Commerce, 552
Edmonton Street Railway, 632-33
Education Committee, B.C., 406-07
Education, Federal Survey, 152-53
Education, Select Committee on (Man.), 374
Education (see also under various Provinces)
Eggs, 573
Eight-Hour Day Act, 33
Eldorado Gold Mines, Ltd., 581-82
Election Act Admendment, Que., 287
Election Act Amendment, P.E.I., 464
Election, Dom. General, 1, 59 *et seq.*
Election, General, Alberta, 335, 336-37, 349-52
Election. General, Man., 369-72
Election, General, N.B., 439, 446-48
Election, General, P.E.I., 460-61
Election, General, Que., 1935, 278
Election, General, Que., 1936, 284-85
Election Lists, 13, 21
Elections and Franchise Acts, Special Committee on, 128-29
Electric Railways, 477, 630-33
Elementary Education Survey Committee, Ont., 246
Elgin Liberal Ass'n, 202
Emmanuel College, Toronto, 247-48
Emigration, Statistical, 479
Empire Economic Conference, 58
Empire Forestry Conference, 575
Empire Parliamentary Ass'n, 415
Empire Trade, 20, 105-06, 139, 602, 605
Empire Trade Agreements, 19, 20, 69, 105, 512, 600
Employees in Manufacturing Industries, 474
Employment in Canada, Chart, 472
Employment for Ex-Service Men, Commission of Inquiry, 164-65
Employment Indexes, 477, 482, 487-88
Employment, Industrial, 485 *et seq.*
Employment in Manufacturing Industries, 593-94
Employment Offices Co-ordination Act, 496
Employment Service Statistics, 478, 482
Employment and Social Insurance Act, 28-31, 88, 89-90, 488, 496
Employment and Social Insurance Commission, 1, 9, 29-30
Empress of Britain, S.S., 187
"*Enchantress*," Yacht, 190
Energen Foods Co. Ltd., 608
Engineering Institute of Canada, 585
English Co-operative Wholesale Society, 555
English-Speaking Union, S146
Esquimalt Harbour, 76
Establishment of Farmers' Sons, Que., 296
Estate of D. A. Dunlap, 247
Estate of Sir John McLennan, 247
Estimates, Federal, 19, 21-2, 25, 99, 102-03
Ethiopian War, 78, 184
Evening Telegram, the Toronto, 200
Exemptions Act, Alberta, 347
Exchange Fund, 50
Excise Act, Amendment, 125
Excise Duties, 100, 103
Excise Revenue, 139
Excise Tax, 23, 103
Expenditures, Dominion, 21-2, 100-02, 108-09
Experimental Farms, 552-53
Exports. 20, 100, 105-06, 139, 475, 481, 513, 601-06
Exports *via* the United States, 640-41
Exports, Physical Volume, 513
Express Companies, 629-30
Ex-Prisoners of War Ass'n. 129
Ex-Service Men, Employment for, 164-65
External Affairs, 180 *et seq.*
External Trade, 20, 100, 475, 601-06

Factories Act Amendment, Alberta, 491
Factories Act Amendment, B.C., 491
Failures Commercial, 533-34
Fair Wages Act Amendment, Man., 489
Fair Wage Act, N.B., 491
Fair Wages and Hours of Labour Act, 489
Falconbridge Nickel Mines Ltd., 581
Falconwood Hospital, 460, 461, 467,
Family Budget, 482
Famous Players' Canadian Corp'n, Ltd., 539
Farm Loan Board, 3, 9, 22, 375, 557-58
Farm Outlook, the, 325
Farm Relief, 33-4, 43-5, 117-18, 124-25
Farm Relief (See also under various Provinces)
Farm Relief, Legislation, 91
Farmers' Co-operative Creamery Co., Ltd., 444
Farmers' Creditors Arrangement Act, 11, 21, 29, 33-4, 88, 91, 315, 342, 387, 391, 558-59
Federal Administration and Politics, 1 *et seq.*
Federation of Young Conservative Clubs of Ont., 5
Federation of Youth, 65
Ferry Traffic, 648
Field Crops, 473, 564-65
Field Husbandry, 553
Finance, Dom.-Prov. Conference. 72
Finance and Insurance, 510 *et seq.*
Finance, Statistical, 478-79
Finances, Dominion, 107-09, 515-16
Financial Times, The, 219
Fire Department Hours of Labour Act, B.C., 491
Fire Insurance, 478, 545-46
Fires, Railway Origin, 623
Firewood Production, 574-75
Fish Culture, National Committee, 59
Fisheries Preservation, 182
Fisheries, Relief, 74, 131, 415, 418, 428, 589
Fisheries, Statistical, 473, 588-89
Fisheries Statistics of Canada, 410
Fisherman's Loan Act, 43
First Narrows Bridge, Burrard Inlet, 393
Flag, National, 57
Flin Flon Mine, 586
Floods, St. John River, 443
Floriculture, 570
Flour Exports, 566-67
Flour Production, 475, 480
Food, Cost of, 493
Foreign Insurance Companies in Canada, 542-43
Foreign Trade, Canada's, 601-02
Foreign Trade, Free Zone Proposals, 127-28
Foreign Wheat Production, 565-66
Forest Operations Commission Act, N.B., 445, 490
Forest Products Commission, 290
Forest Production, 574
Forest Products Industries, 574 *et seq.*
Forest Rangers' School, Que., 290
Forest Resources, 574
Forest Resources Regulation Act, Ont., 241

Forestry, 148, 473
Fort Beausejour Historical Museum, 442
Fort Frances-Kenora Highway, 204, 242
48-Hour Week Act, 29
Forty Leading Industries of Canada, Statistics, 597-98
"4,000 Mile Flight Through Northwestern Canada", S118-25
Fourth Field Brigade, 76
Fox Farms, 587
France, Can. Legation in, 183
France, Minister to Canada, 185
France, Trade Agreement with, 11, 19, 50, 80
France, Vimy Pilgrimage to, 186-90
Franchise Act, 16-7, 123-24, 128
Franchise Commissioner, Dominion, 21
Fraser Companies, Ltd., 538-39
Fraser River Bridge, 391, 393, 398, 407
Fraser Valley Surrey Farmers Co-operative Ass'n, 623
Fraternal Insurance, 546-47
Frederick House Lake Dam, 207
Fredericton Sesquicentennial, 442
Free Zone Bill, 127-28
Freight, 481
French Legation, Ottawa, 76
Frood, Ont., Rock Fall, 495
Fruit, 569-70
Fruit, Honey and Vegetables Legislation, 49
Fuel Board, Dom., 585-86
Fuel and Light, Cost of, 493
Fuel Oil Licensing Act, Alberta, 356
Fuel Oil Tax Act, B.C., 410
Fundamental Economic Conditions, Chart, 472
Funded Debt, 23, 102, 107, 516
Fur Production, 473, 587-88
Furness Prince Line, 441
Furniture Industry, 157-58
Fury, H.M.S., 177

Gambling Devices, N.B., 441
Game and Fisheries Act, Amendment, Ont., 224
Gas Fitters Union, 298
Gasoline Licensing Act, N.S., 435-36
Gasoline Sales, 634
Gasolene Tax Act, Sask., 311
Gasoline Tax Act Amendment, P.E.I., 463
Gasoline Tax Revenue, 634
Gaspe Fisheries Experimental Station, 590
Gatineau Power Co., 197, 198, 211, 218, 230, 238
Gatineau Transmission Co., 238
Gazette, The, Montreal, 2, 4, 7, 13, 67, 193, 202, 220, 585, 634
General Business, 479, 483
General Election, Dom., 1, 8, 59 *et seq.*
General Election, Alberta, 335, 336-37, 349-52
General Election, Man., 369-72
General Election, N.B., 439, 446-48
General Election, Que., 1935, 278
General Election, Que., 1936, 284-85
General Election, P.E.I., 460-61
General Production in Canada, 548-49
Geodetic Survey, 149
Gift, Tax, 23
Glace Bay Coal Mine Strike, 416, 504
Globe, The, Toronto, 4, 63, 64, 65, 192, 193, 194, 197, 201, 202, 205, 220, 228, 242, 270, 584, 648
Globe and Mail Amalgamation, 270
Gloucester County Fires, 442
God's Lake Gold Mine, 384, 385
"Gold Bloc" Countries, 510
Gold Clause, Redemption of Bond Contracts, 86
Gold, International Payments, 514
Gold Miners' Strike, B.C., 504
Gold Production, 474, 577-78, 583
Gold Production Drawback, 584-85
Gold Prospecting, Grant for, 583-84
Gold Revaluation, 50
Gold Reserve, 483
Gold Tax, 23
Goodacre, William, & Sons, 608
Goodyear Tire and Rubber Co. of Canada, Ltd., 539
Government Annuities, 127, 507-08
Government Contract Hours and Wages Act, Ont., 491
Governor-General of Canada, Activities of, 178-80
Governor-General, Address to, 58
Governor - General, Appointment of, 2, 178
Grain Board Bill (See Can. Wheat Board Act)
Grain Export Ass'n, 51
Grains and Grain Products, Commission of Inquiry, 130, 155
Grand Trunk Pacific Preference Stock, 7
Grants to Provinces, 100
Great Lakes Navigation, 182
Great Lakes Paper Co. Ltd., 539
Great Slave Lake, 147
Guarantees, Relief Act, 503
Gulnare, C.G.S., 643
Gunnar Gold Mine, 384
Gunning Charges, Ont., 242-43
Great West Life Assurance Co., 543
Gross Value of Production, 549
Gypsum Queen Case, 145
Gyro Club, Toronto, 617

Haddock, 589
Halibut, 589
Halifax District Trades and Labour Council, 418
Halifax Fisheries, 415
Halifax Harbour, 118, 638-39
Halifax Herald, The, 405, 419
Halifax Milk and Cream Inquiry, 421
Hallman and Sable Fur Dressers and Dyers Ltd., 608
Hamilton Spectator, The, 219
Hansard, 7, 14, 40, 59, 94, 96, 97, 118, 164
Harbours, 636-40
Harbour Administration, 1-2, 70, 118-20
Harbour Improvements, 42
Hartt and Adair Coal Co. Ltd., 506
Health Act Amendment, P.E.I., 463
Health Conference, 1935, 142
Health Insurance Act, Alberta, 347
Health Insurance System, B.C., 392, 401-02, 403
Health, National, 141-42
Health Service Commission, Alberta, 340
Heart Disease, 143
Heaton Publishing Co., S161
Herring Fisheries, 589
High Commissioners' Offices, 70, 181, 185
Highway Expenditure, 634
Highway Improvement Amendment Act, Ont., 224
Highway Mileage, 634
Highway Traffic Act Amendment, Ont., 224
Highway Traffic Act Amendment, P.E.I., 463, 466
Highway Traffic Legislation, Man., 378, 380
Highway Transportation Rates, 72
His Majesty's Declaration of Abdication Act, 175
Historic Sites and Monuments Board of Canada, 442
History, Military, 146
Hollinger Mine, 528

Honey, 570
Honours Lists, Canadians in, 177-78
Hospitalization, Cost, 494-95
Hours of Work Bill, N.S., 424, 425
Hours of Work and Minimum Wage Act, Alberta, 490-91
Housing Act, 9, 42-3, 74
Housing Act Committee, House of Commons, 50
Housing Act., N.B., 444
Housing Project, Ont., 267-68
Houston's Standard Publications, S160
Howard Smith Paper Mills Ltd., 535-36, 539-40
Hudson Bay Mining and Smelting Co. Ltd., 582
Hudson Bay Railway, 384, 641
Hudson's Bay Co., 147
Hudson Bay Route Insurance Rates, 181
Hudson Strait Hydrographic Party, 642-43
Huron County, Liquor Control Laws, 269
"*Hurry On*" Motor Vessel, 418
Hydro-Electric Installation, 148
Hydro-Electric Power Commission of Ont., Report, 264-65
Hydro-Electric Power Commission of Ont., 191, 194, 196-200, 211, 212, 214, 217-20, 222, 226, 227, 230-31, 238, 270, 290, 521, 524
Hydro-Electric Power, Man., 384-85
Hydrographic Service, 642-43

Illegitimate Births, 143
Illness of Mr. Bennett, 5, 8, 91
"I'm Alone" Case, 182
Immigration and Colonization, 150
Immigration Medical Service, 141
Immigration, Statistical, 479
Imperial Airways Ltd., 651
Imperial Bank of Canada, 192, 518, 521, S94-7
Imperial Defence, 6
Imperial Economic Committee, 181
Imperial Life Assurance Company of Canada, S116
Imperial Oil Ltd., 410, 531, S61-71

IMPERIAL RELATIONS, 2, 168 *et seq.*
Abdication of Edward VIII, 80-2, 172-75
Accession of Edward VIII, 72-3, 93, 169-70
Accession of George VI, 82-3, 177
Constitutional Crisis, Edward VIII, 170-72
Coronation of Edward VIII, Plans, 170
Death of George V, 72-3, 93, 169
Governor-General, 178-80
High Commissioners Offices, 171, 181, 185
Honour Lists, 177-78
Jubilee Cancer Fund (King George), 168-69, 178, 223
Jubilee Trust Fund (King George's), 168
Radio Broadcasts of Edward VIII, 170, 175-77
Radio Broadcasts of George V, 168, 169
Silver Jubilee of George V, 168-69
Vimy Pilgrimage, 186-90
Imperial Shipping Committee, 181, 647
Imperial Tobacco Co. of Canada, 531
Imperial War Graves Commission, 187
Imperial War Veterans, 164-65
Imports, 20, 100, 105-06, 139, 475-76, 481, 601-06
Imports *via* the United States, 640
Income Tax, 23, 100, 103, 107
Income Tax Act, Alberta, 339, 341
Income Tax on Non-Residents, 183
Income Tax, Ont., 226, 227-28, 236-38
Income Tax Revenue, 139-40
Income War Tax Act, Amendment, 50, 125
Independent Labour Party, Man., 368, 369, 370, 378
Independent Party, 67
Indian Act, 1927, Amendment, 125
Indirect Liabilities, Dom., 22-3, 102
Indirect Taxation by Provinces, 125-27
Industrial Accidents, 495-96
Industrial and Commercial Establishments Act Amendment, Que., 490
Industrial Disputes Investigation Act, 28, 157, 505-06
Industrial Employment, 485 *et seq.*
Industrial Standards Act, Alberta, 348, 489
Industrial Standards Act, N.S., 491
Industrial Standards Act, Ont., 220-21, 490
Industrial Stocks, 527, 529-31, 532
Industrial Stocks, Index, 484
Industries and Commerce, 548 *et seq.*
Inland Fisheries, 588
Inland Water Freight Act, 555
Insurance Act, Amendments, Ont., 221-22
Insurance Act Amendment, P.E.I., 463
Insurance Legislation, 125
Insurance in Canada, 541 *et seq.*
Intercolonial Railway Resolution, N.B., 445
Interest Rates, 484
Interest Rates, Trend, 516, 521-22
Internal Trade, 476
International Astronomical Union, 149
International Boundary Commission, 149
International Boundary, Dams on, 186
International Engineering Boards, 186
International Joint Commission, 148, 185-86
International Labour Conference, 488
International Labour Organization, League of Nations, 29, 33, 184
International Live Stock Exposition, 249
International Nickel Co. of Canada, Ltd., 528, 580-81, 586
International Payments, Can. Balance, 514
International Penal and Penitentiary Congress, 137
International Petroleum Co., Ltd., 531
International Relations, 181 *et seq.*
International Silver Co. of Canada Ltd., 608
International Trade, 510
International Workers of the World, 508
Invalides, Court of Honour, 190
Inverness Coal Mine, 429
Investment Dealers' Ass'n. of Canada, 192, 394, 525-26
Investment and Speculation, 484
Iron and Products, 474
Iron, Steel and Products, 595-96
Irrigation, Alberta, Inquiry, 340
Italo-Ethiopian War, 78, 184
Italy, Sanctions Against, 77, 94, 97

Jacques Cartier Bridge, 22, 636
Japan, Can. Legation in, 183-84

Japan, Minister to Canada, 183-84, 185
Japan, Trade Dispute with, 1, 10, 60, 70-1, 93, 94, 96-7, 104, 106, 132, 183-84
"Jones" Commission, N.S., 414
Jordan Memorial Sanitorium, 450
Jubilee, Silver, of King George V (See Silver Jubilee)
Jury Act Amendment, Man., 381
Juvenile Court Act, Alberta, 348
Juvenile Delinquency, 134
Juvenile Delinquency Act, Amendment, 125

Kenora, Unemployed Marchers at, 196, 368
Kidnapping Case, Labatt, 268
King George V Jubilee, 168-69 (See also Silver Jubilee)
King George V Jubilee Cancer Fund, 168-69, 178, 223
King George's Jubilee Trust, 168
King's Birthday Honours Lists, 177
King's College Dalhousie University, 430
Kingston Penitentiary, 135-36
Kiwanis Club, Montreal, 617
Knighthoods, Canadian, 177-78
Knox College, Toronto, 249
Kootenay Valley Reclamation Project, 186
Kootenay Lake Storage Plan, 148

Labatt Kidnapping Case, 268
Labour Gazette, the, 494, 495, 499, 500
Labour Legislation, Review of, 488-91
Labour Organizations, 508-09
Labour Party, 67
Labour Representation in Parliament and Legislatures, 509
Labour Statistics, 477-78, 482
Labour and Unemployment Relief, 485 *et seq.*
"Laissez-Faire" Attitude, 13
Lachine Canal Tunnel, 21
Lake Champlain-Hudson River Waterway, 647
Lake Champlain Waterway Proposal, 185
Lake St. John Power and Paper Co. Ltd., 540
Lake Steamboats, 555
Lake Superior Corporation, 534
Lands and Forests Bill, N.S., 424, 490
Land Settlement, 151, 501
Land Settlement Act, Ont., 501
Laurentides National Park, 296, 297
Laval School of Forestry, 290
Laval University, 304
Law of Property Act, Amendment, Man., 381
Law Society of Upper Canada, 180, 251
Lead Production, 474, 578, 579
League for National Government, 67
League of Nations, 91, 94, 97, 133, 181, 184-95
League of Nations Assembly, 77, 78-80, 184, 185
League of Nations Council, 184
League of Nations, International Labour Organization, 29, 33
League of Nations Society of Canada, 80
Lefevre, Dr. J. M. Endowment, 407
Legislation, Dom., 1935, 28 *et seq.*, 58
Legislation, Dom., 1936, 109 *et seq.*, 133
Leonard McLaughlin Scholarship, 248
Lethbridge Colleries, Ltd., 363
Level Crossings Removal, 65
Liabilities, Dom., 102, 107
Liabilities, Indirect, 22-3, 102
Libel and Slander Act Amendment, Alberta, 348
Liberal Administration, 72 *et seq.*
Liberal-Conservative Ass'n. of Ont., 208-09
Liberal Party Policies, 13-5
Liberal-Progressive Party, 67
Licensing of Trades and Businesses Act, Alberta, 356
Lieutenant-Governor Appointed, Alberta, 341, 365
Lieutenant-Governor Appointed, B.C., 393
Lieutenant-Governor Appointed, N.B., 442
Lieutenant-Governor Appointed, N.S., 437
Lieutenant-Governor Appointed, Sask., 304
Life Insurance Act, Amendment, N.B., 441
Life Insurance Act, N.B., 444
Life Insurance in Canada, 541-45
Life Insurance Outside Canada, 544-45
Life Insurance, Statistical, 479
Light Aeroplane Club Scheme, 650
Lightning Fasteners Co. Ltd., 607
Limitation of Civil Rights Act Amendment, Sask., 318
Limitation of Hours of Labour Act, N.S., 490
Limitation of Hours of Work Act, 488, 496
Liquor Control Act, Ont., 269
Liquor Control (See under various Provinces)
Liquor Industry, 597-98
Live Stock, 473, 550, 570-71
Live Stock, Foreign Trade, 571
Live Stock and Live Stock Products Act, 28, 49
Live Stock and Live Stock Products Act Amendment, Man., 381
Loans Act Amendment, Man., 381
Loans to Provinces, Dom., 21-2, 83 *et seq.*, 99, 101, 306, 320, 337, 338, 344, 502-03
Lobster Fisheries, 588
Logs and Bolts, Production, 574
London Daily Telegraph, 219
London Life Insurance Co., 543
London Naval Conference, 181
London (Eng.) Stock Exchange, 338
Loretto College, Toronto, 248
Lumber Industry, 576

Macassa Mines, Ltd., 586
McCabe Bros. Grain Co. Ltd., 555
Mace of the Parliament of Upper Canada, 225
McGill University, 179, 302
Mackerel, 588
Maclaren, James, Power Co. Ltd., 198, 199, 211, 218, 230, 238
Maclaren-Quebec Power Co., 230, 231, 238
McMaster University, Hamilton, 251
MacMillan-Brownlee Case, Alberta, 340-41
Macmillan Company of Canada, S126-28
MacPhail - Dawson Charges, 161
McPherson Divorce Case, Alberta, 336, 341
Magistrates' Act Amendment, Man., 381
Mail and Empire, the, Toronto, 3, 4, 61, 62, 64, 191, 193, 194, 198, 201, 202, 204, 228, 243, 270, 584
Maine and N.B. Electric Power Co., 458

MANITOBA, 367-89
Accession of King Edward VIII, 378
Agriculture, 373-74, 381-84
Bond Issue, 367
Budget, 367, 376-77, 379-80

By-Elections, 368
Cabinet Changes, 368, 369, 371
Censor Board, 386
Conservative Leader, 369-70, 371
Coalition Government Proposals, 371
Co-operative Commonwealth Federation, 370, 372
Death of King George V, 378
Debt, 377, 380
Debt Adjustment, 372-73, 374, 375, 380-81, 387
Deferred Elections, 371
Deputy Heads of Departments, 389
Dom. Loans, 21, 101-02, 502
Drought Areas, Special Committe, 373-74
Education, 374, 388
Executive Council, 389
Farm Relief, 367, 372, 387
Fisheries, 379, 385
Forestry, 379
General Conditions, 367
General Election, 369-72
Health and Public Welfare, 385-86
Industrial Development Board, 388-89
Insurance, 385-86
Investigations, 373-75
Labour Dept., 376, 386
Labour Party, 368, 369, 370, 378
Lands, 385
Legislation, 377-78, 380-81
Legislative Proceedings, 1935, 374, 376-78
Legislative Proceedings, 1936, 378-81
Liberal Leader, 372
Liberal-Progressive Party, 367, 368, 369, 370-71
Liquor Commission, 373, 375, 386
Mines and Natural Resources, 379, 384-85
Minimum Wage, 378, 386
Municipal Affairs, 367-68, 372-73, 377-78, 380, 387
Old Age Pensions, 370, 386
Pool Elevators, 383
Population, 385
Power Commission, 375, 384-85
Prime Minister, 369, 370-72
Provincial Secretary, 386
Public Accounts, 376, 379
Select Committees, 374-75
Social Credit Party, 370-72
Speech from the Throne, 376, 378-79
Standing of Parties, 369, 370
Tax Changes and Exemptions, 367, 375, 379
Telephones, 375, 653
Unemployment and Relief, 367, 368-69, 376-77, 379, 380
United Farmers, 384
Vital Statistics, 385
Wheat Crop, 381, 382
Workmen's Compensation, 375, 386
Man. Adult Education Ass'n., 338
Man. Associated Board of Trade, 338
Man. Civic Service Board, 380
Man. Co-operative Poultry Marketing Ass'n., 382
Man. Drainage Districts, 372
Man. Farm Loan Ass'n., 375
Manitoba Gazette, the, 386
Man. Liberal Ass'n., 372
Manitoba Paper Company, 389
Man. Pool Elevators Ltd., 383
Man. Power Commission, 385
Manitoba Penitentiary, 135
Manitoba Power Co. Ltd., 541
Man. Savings Office, 23
Man. Social Credit League, 370, 372
Man. Telephone Commission, 375
Man. Wage Tax Case, Privy Council, 373
Manufacturers' Circular, Renfrew, 64-5
Manufacturers Finance Corporation, Inquiry, 205-06
Manufacturers Life Insurance Co., 543, S156
Manufactures, Production, 474, 592-99
Manufacturing Industries, 592-600
Maple Leaf Gardens, Toronto, 62, 64
Maple Sugar and Syrup, 570
March to Ottawa, Unemployed, 196, 312, 369, 395
Margaree River System, 589
Maritime Board of Trade, 615
Maritime Chamber of Agriculture, 455
Maritime Claims, Inquiry, 159-60, 438, 460, 463
Maritime Operation Corporation, 290
Maritime Telegraph and Telephone Co. Ltd., 436, 653
Market Gardeners of Laval County, 607
Marketing Act, N.B., 445
Marketing Board, 559-60
Marketing Committee, 87
Marriage Act Amendment, Sask., 323
Marriage Annulment Bill, Man., 378
Marriage of Duke of Gloucester, 169
Marriages, 142
Massey Harris Co., 530-31
Mastadon Discovery, N.B., 442
Matheson, Ont., Inquiry, 207
Mattresses and Springs, 599
May Day Celebration, Toronto, 269-70
Meat and Canned Foods Act, Amendment, 49
Meat Consumption, 571
Memorial Chamber, Ottawa, 189
Memorial Services, King George V, 73
Mental Hospitals Act, 224
Mental Patients, 142
Merchant Shipping Act, 29
Merchants Exchange, 51
Meredith, Simmons Co. Ltd., 608
Metalliferous Mines Regulations Act, B.C., 489
Militia, 75, 145-46
Milk Control Act, Amendment, Ont., 224
Milk Control Committee, 573
Milk and Cream Industry Inquiry, N.S., 421
Milk Production, 571
Millar "Baby Derby" Will, 271
Millers' Mutual Ass'n., 563
Milling Industry, 158
Mineral Production, 474
Minimum Wages, Act, 29, 33, 56, 88, 90, 488, 490, 496
Minimum Wage Acts, B.C., 489
Minimum Wage Act, Que., 490
Minimum Wage Act Amendment, Ont., 491
Minimum Wage Act Amendment, Sask., 490
Mining Act Amendment, Que., 292
Mining Area Roads, 132
Mining, Dom.-Prov. Conference, 71-2
Mining and Metallurgical Industries, 577 *et seq.*
Mining Stocks, 527-28, 532
Ministry, Federal, Conservative, 8-9
Ministry, Federal, Liberal, 69-71, 166
Minneapolis, St. Paul & Sault Ste. Marie Railway Co., S37
Miscellaneous Industries, 474, 598-99
"Mr. Sage" Broadcasts, 59, 96, 129
Mobilization, Survey of Resources for, 132
Money Orders Issued, 477
Money Supply, 517
Mongeau and Robert, Ltd., 506
Montcalm, S.S., 187

Monthly Bulletin of Agricultural Statistics, 359, 382, 454, 549, 565, 569
Monthly Review of the Wheat Situation, 565
Montreal, Affairs of, 276
Montreal Board of Trade, 4
Montreal Chamber of Mines, 584
Montreal Coke and Manufacturing Co. Ltd., 298, 506
Montreal Curb Market, 533
Montreal Elections, 303-04
Montreal Harbour, 118, 637
Montreal Light, Heat and Power Consolidated, 529, 535, 540
Montreal Pocketing and Manufacturing Co. 608
Montreal Star, the, 454
Montreal Stock Exchange, 479, 526, 532
Montreal Tramways Co., 630-31
Montreal Tramways Commission, 630-31
Montrose, S.S., 187
Moose Jaw Times-Herald, 315
Moose River Mine Tragedy, 419-21, 428
Morganatic Marriage, Suggestions, 171-72
Mortgagors' and Purchasers' Relief Act, Amendment, Ont., 223
Morning Post, the, London, Eng., 219
Most-Favoured-Nation Treatment, 48
Mothers' Allowance Act, Ont., 490
Motion Picture Theatres, 614
Motor Accidents, 634
Motor Transportation, Inquiry, N.S., 421-22
Motor Transportation, 633 *et seq.*
Motor Vehicle Registration, 633-34
Motor Vehicles, 477
Mount Allison University, 453-54
Municipal Act Amendment, Ont., 237
Municipal Board Act, Amendment, Ont., 224
Municipal Bonds, 523
Murders, Ont., 271-72
Mutual Life Assurance Co., 543

Nacmine Rock Slide, Alta., 495
Naden, H.M.C.S., 147
Narcotics, 141
Nascopie, S.S., 147
National Barley Committee, 556-57
National Catholic Unions, 508-09
National Dairy Show, 249
National Debt (See Debt)
National Employment Commission, 1, 74, 109
National Employment Commission Act, 500
National Finance Committee, 86-7
National Finance Council, 84
National Gallery of Canada, S129-131
"National" Government Proposals, 62, 64, 67
National Harbours Board, 636
National Harbours Board Act, 118-20, 636
National Liberal Action Party, Que., 275, 278, 280
National Liberal Federation, 63, 83
National Motor Show, 205
National Parks, 125, 148
National Research Council, 88, 590
National Union Party, Que., 283, 284-85, 303
National Youth Re-Establishment Commission, 131
Nationalist Movement, 18
Natural Gas, 474, 579
Natural Products Marketing Act, 3, 11, 21, 29, 34-5, 88, 91, 254, 559-60
Natural Products Marketing Act, Amendment, 34-5
Natural Resources of Sask. and Alberta Investigation, 158-59
Naturalizations, 145
Naval Replacements, 76
N. B. McLean, C.G.S., 642
Neutrality, Canadian, 66

NEW BRUNSWICK, 438-59
Accession of King Edward VIII, 448
Agriculture, 441, 454-56
Bond Issues, 439, 441
B.N.A. Act, 439-40, 449
Budget, 446, 451-52
Cabinet Changes, 459
Coal, 443, 456
Conservative Convention, 447
Corporation Taxes, 452-53
Dairy Products Commission, 444
Death of King George V, 448
Debt, 445, 446, 451
Deputy Heads of Departments, 459
Dysart Ministry, 439-41
Education, 441, 453-54
Electric Power Commission, 438, 444, 458
Executive Council, 459
Fires and Fire Prevention, 442, 458
Fisheries, 456
Fish Trade Commission, 438
Forestry, 456
General Election, 439, 446-48
Health, 457
Highways, 438, 440, 457
Historic Events, 442
Housing, 438-39, 444
Immigration and Settlement, 455-56
Lands and Mines, 456
Legislation, 444-45, 450
Legislative Proceedings, 1935, 443-46
Legislative Proceedings, 1936, 448-53
Liberal Convention, 446-47
Lieutenant-Governor Appointed, 442
Liquor Control, 457
Lumber Industry, 439, 440, 449, 451, 456
Maritime Claims, 438, 450-51
Motor Carrier Board, 458
Old Age Pensions, 439, 451, 453, 457
Potatoes, 441, 445, 454
Prime Minister, Mr. Dysart, 439-40
Prime Minister, Mr. Tilley, 438
Public Accounts, 445, 451
Public Utilities, 458
Public Works, 456-57
Railways, 438, 445
Speech from the Throne, 443, 448-49
Subsidy, 438
Tilley Ministry, 438
Unemployment and Relief, 440, 456-57
Vital Statistics, 457
Workmen's Compensation, 444
N.B. Dairymen's Ass'n., 455
N.B. Farmers' and Dairymen's Ass'n., 455
N.B. Fruit Growers' Ass'n., 455
N.B. Power Co., 458
N.B. Provincial Hospital, 450
N.B. Wire Fence Co. Ltd., 607
"New Deal" Programme, 511
New Year's Honours List, 177-78
New York Central Railroad, 635
New York Funds in Montreal, 483
New Zealand, 81
Newfoundland, 23
Newsprint Industry, 576
Newsprint Production, 475, 480
Newsprint, Stocks, 529
Nicholson, Dr. F. J. Fund, 407
Nickel Production, 474, 578
1930 Wheat Crop Equalization Payments Act, 117-18
Nipissing Central Railway, 266

Non-Ferrous Metals and products, 474, 596
Non-Metallic Mineral Industries, 597
Non-Ferrous Smelting and Refining Industry, 579-82
Non-Metallic Mineral Products, 474
Noranda Mines, Ltd., 73, 528, 580
Normandie, S.S., 647
North American Life Assurance Company, S157
North American Telegraph Co., 654
North Bay Relief Situation, 196
Northern Alberta Railway, 630
Northern Quebec Power Co., 292
Northwest Territories, 147
Northwestern Canada, A 4,000-Mile Flight Through, S118-25
Northwestern Power Co., 541
Note Circulation, 516-17
Notice Deposits, 478, 483
Notre Dame College, Sask., 324

NOVA SCOTIA, 414-37
Accession of King Edward VIII, 426
Agriculture, 415, 431-32
Bond Issues, 417, 429
B.N.A. Act, 414, 425, 427
Budget, 425-26, 429
By-Elections, 419
Cabinet Changes, 437
Civil Service, 423-24
Coal, 415, 416-17, 422, 433
Commissions of Inquiry, 414, 417-18, 420-22
Conservative Leadership, 419
Death of King George V, 426
Debt, 429
Deputy Heads of Departments, 437
Economic Council, 414-15, 423
Education, 428, 429-31
Fire Prevention, 435
Fisheries, 415, 418, 428, 433
Fruit Industry, 432
Gasoline Licensing Act, 435-36
General Conditions, 415-16
Glace Bay Strike, 416
Health, 434
Highways, 433-34
Humane Institutions, 434
Jones Commission, 414, 418, 423
Labour, 416-17, 424, 434
Lands and Forests, 424, 433
Legislation, 423-25, 428
Legislative proceedings, 1935, 422-26
Legislative proceedings, 1936, 426-29
Lieutenant-Governor Appointed, 437
Liquor Commission, 435
Lumber, 433
Mines, 416-17, 418, 433
Minimum Wage Board, 434
Moose River Mine Tragedy, 419-21, 428
Mothers' Allowance, 434
Municipal Affairs, 424, 425, 427, 436-37
Old Age Pensions, 425, 434-35
Penal Institutions, 434
Power Commission, 418, 436
Prime Minister's Activities, 415, 419
Provincial Secretary, 435
Public Accounts, 425, 429
Public Utilities, 435-36
Redistribution, 428
Speech from the Throne, 422-23, 426-27
Subsidy, 414
Unemployment and Relief, 415, 434
Vital Statistics, 434
Workmen's Compensation, 417-18, 435
N.S. Dairymen's Ass'n., 432
N.S. Farmers' Ass'n., 432
N.S. Forest Products Ass'n., 433
N.S. Fruit Growers' Ass'n., 432
N.S. Light and Power Co. Ltd., 632
N.S. Lumbermen's Ass'n., 433
Nurses' Ass'n., N.B., 450

Oats, 473, 568
Oil Stocks, 531
Oil Tanker Explosion, 495
Old Age Pensions, 2, 21, 87, 100, 507 (See also under various Provinces)
Old Age Pensions Act, 57
Old Age Pension Act Amendment, Que., 287
One Day of Rest in Seven Act, 29, 33, 88, 90
One Day of Rest in Seven Act, Sask., 491
One Big Union, 508

ONTARIO, 191 *et seq.*
Accession of King Edward VIII, 226, 227
Acting Prime Minister, 191, 203
Agriculture, 192, 204, 224-25, 251-54
Appointments, 244, 260
Attorney-General, 261-62
Bond Issues, 191-92, 193, 194, 197
Budget and Debate, 213 *et seq.*, 232 *et seq.*
By-Elections, 208, 210
Cabinet, 205, 272, 273
Chief Justice, Retirement of, 270
Children's Aid, 261
Commissions of Inquiry, 205-08, 212
Conservative Convention, 202, 208-09
Conservative Leader (Mr. Henry), 211, 228, 235, 238, 239
Conservative Leader (Mr. Rowe), 204, 209
Co-operative Commonwealth Federation, 226, 269-70
Death of King George V, 226, 227
Debt, Provincial, 194, 213, 225, 226, 232, 233, 234, 235, 241
Debt Conversion, 193-94, 228
Deputy Heads of Departments, 273
Dionne Quintuplets, 225
Education, 243 *et seq.*
Employment Service, 258
Estimates, 213, 216, 232-33, 236
Executive Council, 272, 273
Fiscal Year Change, 223
Forestry, 256
Game and Fisheries, 256-57
Gunning Charges, 242-43
Health, 259-60
Highways, 195, 204, 211, 258
Hospitals and Sanitoria, 260
Housing Project, Dr. Bruce's, 267-68
Hydro-Electric Power Commission, 191, 194, 196-200, 211, 212, 214, 217-20, 222, 226, 227, 230-31, 238, 264-65, 270
Incidents, 267-72
Income Tax, 226, 227-28, 235, 236-38
Industrial Standards, 220-21, 222
Insurance, 221-22
Labatt Kidnapping, 268
Labour, 258-59
Lands and Forests, 204, 255-56
Legislation, 217 *et seq.*, 222 *et seq.*, 236 *et seq.*
Legislative Proceedings, 1935, 210 *et seq.*
Legislative Proceedings, 1936, 226 *et seq.*
Liberal Administration, 191 *et seq.*
Lieutenant-Governor, 210, 272
Liquor Control, 192, 203, 206-07, 211, 223, 266-67, 269
Loan Corporations, Registrar, 261-62

Marketing, 254
Mines, 254-55
Minimum Wages, 191, 221, 259
Mothers' Allowances, 223, 261
Motion Pictures, 266
Municipal Affairs, 192-93, 195, 202-03, 214, 262-64
Northern Development, 204, 207
Old Age Pensions, 261
Ont. Powers Service Bonds, 212
Prime Minister's Activities, 191 *et seq.*
Prime Minister's Proposed Retirement, 203-04
Prisons and Reformatories, 264
Procedure, Question of, 227
Public Accounts, 194, 232, 242
Public Welfare, 234, 261
Public Works, 257-58
Que. Power Contracts, 7, 191, 196-200, 211-12, 217-20, 222, 226, 228, 229, 230-31
Registrar-General, 260
Research Foundation, 266
St. Lawrence Waterways, 202
Savings Offices, 192
Securities Commissioner, 218
Separate School Taxes, 191, 200-02, 210, 238-40, 241
Soldiers' Aid, 261
Speaker, 210
Speech from the Throne, 210-11, 226-27
Succession Duties, 194, 215, 229
Temiskaming and Northern Ont. Railway, 211, 222, 241, 265-66
Treasury Dept. Charges, 228-29
Unemployment and Relief, 191, 195-96, 214, 226, 231, 234, 261
Vital Statistics, 260
War Veterans, Inquiry *re* Dismissal, 222
Windsor Amalgamation, 224
Women's Institutes, 253
Workmen's Compensation Board, 192, 262
Ont. Agricultural College, Guelph, 249
Ont. Athletic Commission Inquiry, 205
Ont. College of Education, 246
Ont. Court of Appeal, Que. Power Contracts, 199-200
Ont. Educational Ass'n., 201, 247
Ontario House, London, 216
Ont. Mayors' Ass'n., 195
Ont. Medical Ass'n., 91
Ont. Municipal Board, 263-64
Ont. Power Service Bonds, Commission of Inquiry, 56
Ont. Power Service Corp., 212
Ont. Prospectors' and Developers' Ass'n., 584
Ont. Research Foundation, 266
Ont. School Boards and Ratepayers' Ass'n., 201
Ont. Temperance Federation, 203
Ont. Workers Federation of Unemployed, 196
Opposition Leader's Activities, Mr. Bennett, 91-2
Opposition Leader's Election Campaign (Mr. King), 62-5
Optometry Board, 241
Orange Order, 200
Ordinary Expenditures, 21-2, 100, 108
Ordinary Revenue, 21-2, 108
Orleans, Isle of, 277, 293
Osgoode Hall Law School, 251
Osler and Hammond, S104-08
Ottawa Agreements, 181
Ottawa, City of, 125
Ottawa Country Club, 91
Ottawa Electric Railway Co., 632
Ottawa Journal, The, 65
Ottawa Paper Box Co. Ltd., 608
Ottawa Valley Power Company, 198, 199, 200, 211, 218, 230
Ottawan, S.S., 648

Pacific Coast Defences, 75-6
Pacific Coast Fisheries, 74, 588
Pacific Coast Longshoremen's Strike, 504
Pacific Great Eastern Railway, 390, 392, 398, 400, 404
Page-Hersey Tubes Ltd., 607
"Paid for Propaganda" Pamphlet, Ont. Hydro-Electric Power Comm., 270
Pan American Airways, 651
Paper-Making School, Que., 290
Paper Industry, 575-76
Parliamentary Guide, 1936, 68
Parliamentary Under-Secretaries, 69
Patent Act, 46-7
"Paul T." Liquor Vessel, 163-64
Peace River Block, Grading Complaints, 555
Peace River Rail Outlet, 349
Peace Tower Carillon, 73
Peel County, Liquor Control Laws, 269
Penal Conditions, 57
Penitentiaries, 57, 135-38
Penitentiaries, Commission of Investigation, 156
Pension Act Amendment, 122, 129
Pension Appeal Court, 141
Pensions and Returned Soldiers' Problems, Special Committee, 129
Perpetual Bonds, 75
Perth County, Liquor Control Laws, 269
Peterboro Fox Supplies, 607
Petroleum, Crude, Imports, 475, 480
Petroleum, Crude, Production, 579
Petroleum Industry Inquiry, B.C., 409-10
Physical Volume of Business, 19, 512-13, 517
Pickerel, 588
Pig Iron, 474, 480
Pipe-Mechanics Act, Que., 298
Piuze Recommendations, Penal Institutions, 137-38
Platinum Production, 578
Poland, Trade Agreement with, 11, 19, 48
Pomological and Fruit Growers' Society, Que., 295
Pool Trains, 132
Population, 472
Postal Affairs, 628-29
Post Office Revenue, 477
Potato Growers Relief Act, N.B., 444
Potato Marketing, 560
Potato Marketing, N.B., 441, 445, 454
Potato Production, 568
Poultry, 473, 571
Power Commission Act, 1935, Ont., 196-200, 217-20
Power Commission Act, Amendment, Ont., 220
Powers Contracts, Ont., 191, 196-200, 211-12, 217-20, 222, 226, 228, 229, 230-31, 238, 521
Prairie Farm Rehabilitation Act, 44, 554
Preferential Tariff, British, 104
President Roosevelt's Visit, 76, 179
Price Spreads and Mass Buying Commission, 28, 31, 32, 35, 37, 43, 49
Price Spreads and Mass Buying Commission, Report, 156-58
Price, Waterhouse & Co., 118
Prices, 476-77, 482
Prime Minister's Activities, Mr. Bennett, 2 *et seq.*, 60-62
Prime Minister's Activities, Mr. King, 72 *et seq.*
Prime Minister's Title, 56

PRINCE EDWARD ISLAND, 460-68
Accession of King Edward VIII, 465
Agriculture, 467
Attorney-General, 464
Bond Issues, 464
Budget, 463-64, 466-67
By-Election, 462
Cabinet Changes, 461, 462
Death of King George V, 465
Debt, 466
Deputy Heads of Departments, 468
Education, 468
Executive Council, 468
Fisheries, 467
Furs, 467
General Election, 460-61
Health, 467
Highways, 461, 467
Hospitals, 467
Legislation, 463, 464, 465-66
Legislative Proceedings, Mar.-Apr. 1935, 462-64
Legislative Proceedings, Sept. 1935, 464-65
Legislative Proceedings, 1936, 465-67
Libraries, 465
Maritime Rights Issue, 460, 463
Old Age Pensions, 461
Prime Minister, Mr. Campbell, 462
Prime Minister, Mr. Lea, 461, 465
Prime Minister, Mr. MacMillan, 460
Prohibition Act, 461, 466
Public Accounts, 463, 466
Public Utilities, 466
Public Works, 467
Refunding, 464
Speech from the Throne, 462, 465
Unemployment and Relief, 466
Vital Statistics, 467
P.E.I. Co-operative Live Stock Marketing Board, 466
P.E.I. Dairymen's Ass'n., 460
P.E.I. Library Demonstration, 462
P.E.I. National Park, 462
P.E.I. Teachers' Federation, 460
Prince of Wales College, 461, 468
Privy Council, Accession of Edward VIII, 169
Privy Council, Liquor Acts in Ont. Counties, 269
Privy Council, McPherson Divorce Case, 341
Privy Council, Man. Wage Tax Case, 373
Privy Council, Que. Power Contracts, 200
Privy Council, Validity of 1935 Acts, 28-9, 35, 87-91, 488-89, 506, 560
Proclamation, First, of King Edward VIII, 170
Proclamation of Accession, Edward VIII, 169
Production, General, 473-75
Progressive Party, 17-8
Prohibition Act Amendment, P.E.I., 463, 466
Property Owners, City, Resolution re, 131
Prophetic Bible Institute, 335, 358
Proposed Marriage, King Edward VIII, 170-72
Proprietory or Patent Medicines, 141
Prorogation, 57-8, 132-33
Prosperity Certificates, Alberta, 358
Provinces, Dom. Assistance to, 21-2, 83 *et seq.*, 101-02, 502-03 (see also under various Provinces)
Provincial Credit, 83
Provincial Finances, Statistical, 478
Provincial Financing, 523-24, 525
Provincial Grants, 100
Provincial Income Tax, Ont., 226, 227-28, 236-38
Provincial Industries Development Act, Alberta, 356-57
Provincial Loan Councils, 84
Provincial Loan Refundings Act, Alberta, 356
Provincial Loans Amendment Act, Ont., 223-24
Provincial Loans, Dom. Guarantee, 125-26
Public Health Act Amendment, Ont., 242
Public Health Engineering Service, 141
Public Health Insurance Act, B.C., 401-02, 403
Public Health Insurance System, B.C., 392
Public Service Act, Amendment, Ont., 223
Public Service Vehicles Act, Sask., 490
Public Utilities Act, P.E.I., 466
Public Works Construction Act, 42
Publication of Evidence, Act restricting, Alberta, 347-48, 349
Pulp and Paper Industry, 203, 575-76
Pulpwood Production, 574-75

Quarantine Service, 141
Quarries Regulation Act, Alberta, 489
QUEBEC, 274-304
Accession of King Edward VIII, 279
Agriculture, 293-94
Bond Issue, 286
Budget, 275-76, 280-81
Cabinet Changes, 277, 278, 279, 282-83, 285
Colonization, 275, 276, 278, 295-97
Death of King George V, 279
Debt, 276, 280, 287
Deputy Heads of Departments, 304
Dissolution, 282
Education, 288, 301-03
Electricity, Commission of Inquiry, 275, 277, 278
Executive Council, Liberal, 278, 279, 282-83
Executive Council, National Union, 285, 304
Financial Statement, Oct. 1936 Session, 287
Fire Commissioner, 293
Forestry, 289-90
Game and Fisheries, 296, 297
General Election, 1935, 278
General Election, 1936, 284-85
Health, 288
Hydraulic Service, 290
Industry and Commerce, Ministry, 277
Labour, 297-99
Lands and Forests, 289-90
Legislation, 277-78, 287, 292, 297
Legislative Council, 275, 277, 279, 286, 288
Legislative Proceedings, 1935, 275 *et seq.*
Legislative Proceedings, March-June 1936, 279 *et seq.*
Legislative Proceedings, Oct.-Nov. 1936, 286 *et seq.*
Liquor Commission, 284, 286, 300-01
Mines, 291-92
Minimum Wage Commission, 298
Municipal Affairs, 276-77, 299-300, 303-04
National Liberal Action Party, 275, 278, 280, 284, 285
National Union Party, 283, 284-85, 303
Old Age Pensions, 279, 280, 281, 286, 287
Opposition Leader's Charges, 280-81, 283-84
Political Affairs, 274
Prime Minister's Retirement (Mr. Taschereau), 282

Provincial Secretary and Registrar, 288-89
Public Accounts Committee, 274, 280-82, 283-84
Public Charities Fund, 277
Public Works, 276, 292-93
Roads, 276, 291
Rural Credits, 287
Speech from the Throne, 275, 279, 286
Status of Women, 277, 281, 288
Tourist Industry, 291
Trade and Commerce, 300
Unemployment and Relief, 275, 276, 279, 281, 293, 300
Workmen's Compensation, 275, 286, 299
Que. Ass'n for the Prevention of Industrial Accidents, 299
Que. Federated Co-operation, 295
Quebec Gazette, 285
Quebec Harbour, 118, 639
Que. Information Bureau, Paris, 300
Que. London Agency, 285
Que. Lumbermen's Accident Prevention Ass'n, 299
Que. Maple Sugar Producers' Ass'n, 295
Que. Power Contracts, Ont., 191, 196-200, 211-12, 217-20, 222, 226, 228, 229, 230-31, 238
Que. Public Service Commission, 634-35
Que. Public Utilities Safety Ass'n, 299
Que. Pulp and Paper Safety Ass'n, 299
Quebec Railway, Light and Power Co., 633
Que. Zoological Garden, 296
Queen Mary, SS., 647
Queen's University, 50, 249-50
Queen's University Alumnae Association, 250
Queen's University, Rectoral Address, 5
Quintuplets, Dionne, 225

Radio Addresses, Mr. Bennett, 2-4, 60-61
Radio Addresses, King Edward VIII, 170, 175-77
Radio Addresses, King George V, 168, 169
Radio Addresses, Mr. King, 62-4
Radio Affairs, 654-58
Radio Broadcasting Commission (see Can. Radio Broadcasting Commission)
Radio Broadcasting Commission Acts, 47-8
Radio, Special Committee on, 129
Radium Production, 581, 584
Railway Accidents, 621-22, 623
Railway Amalgamation, Discussion, 46, 617
Railway Bonds, 523
Railway Cars, 622, 625
Railway Centenary, 618, 625
Railway Commissioners, Board, 622-23
Railway Co-operation and Economy, 132, 617, 619-20, 625, 627
Railway Earnings, 620-21
Railway Employees, 621
Railway Express Agency, 630
Railway Grade Crossings, 21, 42, 45-6
Railway Loadings, 621
Railway Locomotives, 622
Railway Mileage, 621-22
Railway Passenger Traffic, 621
Railway Situation, 616 *et seq.*
Railway Wage Dispute, 506
Railways and Shipping Committee, House of Commons, 50
Railways, Statistical, 477, 481
Railways, Telegraphs and Harbours, House of Commons Committee on, 132
Rank, Messrs. Joseph & Son, Ltd., 555, 556
Rayon Workers' Union, 504
Recall of Members Act, Alberta, 356
Reconstruction Party, 65-6, 68, 107
Red Deer River, 28
"Red" Ryan Case, 271
Reforestation, 65
Reform Legislation, 1935, 1, 2-3, 11, 12, 28 *et seq.*
Reform Legislation, 1935, Judicial References, 87-91, 95, 98 (see also under Supreme Court of Canada and Privy Council)
Refunding Loans, 6, 75, 525
Regina, Disturbance at, 55, 95, 96, 312-14
Regina Leader-Post, the, 584
Regina Municipal Railway, 633
Regina Young Liberal Club, 552
Regrassing Projects, 554
Report on Central Electric Stations in Canada, 591
Reindeer, 147
Relief Act Guarantees, 503
Relief Camps in B.C. Commission of Investigation, 162-63
Relief Camp Workers' Union, 163, 314
Renfrew, Manufacturers' Circular, 64-5
Rent, Cost of, 493
Reparations Fund, "Gypsum Queen" Case, 145
Replevin Act Amendment, Man., 381
Research Council of Alberta, 362
Retail Merchandise Trade, 606-07
Retail Prices, 477
Returned Canadians from the U.S., 479
Revenue, Dom., 21-2, 100, 108
Rideau Canal Steamship Service, 648
Riot Act, Vancouver Disturbances, 395
Ritz-Carlton, Montreal, S152
Road Act, P.E.I., 465
Roads into Mining Areas, 132
Robb Coal Mine Strike, 503-04
Rockefeller Foundation, 247, 412, 423
Roden Bros. Ltd., 607
Rogers, Elias, Co. Ltd., 506
Royal Air Force, 651
Royal Automobile Club, 635
Royal Bank of Canada, 405, 518, 521
Royal Can. Air Force, 75-6, 146, 651
Royal Can. Mounted Police, 124, 134, 141, 312, 395
Royal Can. Mounted Police, Investigation of Charges Against, 163-64
Royal Can. Naval Reserve, 147
Royal Can. Navy, 76, 146-47
Royal College of Physicians and Surgeons, 180
Royal Commissions (see Commissions)
Royal Family, 168 *et seq.*
Royal Gazette, N.S., 435-36
Royal Levee, St. James's Palace, 5
Royal Trust Company, 200
Royal Victoria Hospital, 179
Royal Winter Fair, 179, 551
Royal York Hotel, 205, 209
Rubber, Crude, Imports, 475
Rubber Industry, 595
Russia, Embargo, 74, 78
Rutland Railroad, 635

Saguenay, H.M.C.S., 76, 147, 187, 188
St. Dunstan's University, 468
St. Francis Xavier University, 74, 431
"St. George and Merrie England," Address, S138-45
St. George's Society of Toronto, S138-45
St. Hilda's College, Toronto, 248
St. James Cathedral, Toronto, 268
St. John, Alleged Railway discrimination against, 438, 445

St. John Civic Government Inquiry, 445
St. John Harbour, 118, 639
St. John Hydro-Electric Commission Inquiry, 458
St. John, Legislation re, 450
St. John River Dam, 148, 186
St. John River Floods, 443
St. John Taxpayers' Ass'n, 445
St. John Telegraph-Journal, the, 447, 584
St. Joliette Convent Fire, 495
St. Joseph's College, Toronto, 248
St. Joseph's University, 454
St. Lawrence Canals, 642
St. Lawrence Ship Channel, 21, 100
St. Lawrence Stevedoring Co., 506
St. Lawrence Waterway, 185, 202
St. Michael's College, Toronto, 248
St. Paul's Cathedral, Jubilee Service, 5, 168
St. Tite Shoe Co. Ltd., 298
St. Vincent de Paul Penitentiary, 136, 137
Salaries and Wages, 474
Salaries and Wages, Manufacturing Industries, 593
Sales Tax, 23, 100, 103, 106, 107
Salmon Fisheries, 588
Salvation Army, 137
Sanctions Against Italy, 77, 94, 97, 184
Sardine Fisheries, 588
Sarnia Fence Co. Ltd., 607

SASKATCHEWAN, 305-34
Accession of King Edward VIII, 320
Agriculture, 325-28
Bond Issue, 308
B.N.A. Act, 323
Budget, 316-17, 321-22
By-Elections, 314
Cabinet Changes, 305, 333
Cancer Commission, 330
Child Protection, 330
Coal Industry Inquiry, 318-19
Conservative Leadership, 314
C.C.F., 314, 316, 317, 321, 327
Death of King George V, 320
Debt Adjustment, 306-07, 314-15, 317-18, 319, 323
Debt, Provincial, 309, 316, 317, 322
Debt Survey Committee, 307, 308-09, 317-18, 321
Deputy Heads of Departments, 334
Dom. Loans, 21, 101-02, 306, 320, 502
Drought, 305, 306, 320, 325
Economic Conditions, 305-08
Education, 324
Executive Council, 333
Farm Relief, 306-07, 315, 319, 325
Field Crops, 326
Forestry, 328
Game, 328
Gasolene Tax, 311, 317
Health, 330
Highways, 329
Hospitals, 330
Income Tax, 311, 317
Labour and Public Welfare, 328-29
Legislation, 316, 319-20, 322-23
Legislative Proceedings, 1935, 315-20
Legislative Proceedings, 1936, 320-23
Lieutenant-Governor, 304
Liquor Board, 319-20, 333
Local Government Board, 331
Minimum Wages, 328
Mining, 328
Mortgage Adjustment, 306-07, 318, 319
Mothers' Allowances, 330
Municipal Affairs, 331-32
Natural Resources, 328
Old Age Pensions, 329
Opposition Leader, 314, 316, 317, 321, 322
Power Commission, 332-33
Prime Minister, 305
Provincial Secretary, 329-30
Public Accounts, 316, 321
Public Service Commission, 319
Public Works, 329
Relief Commission, 319
Regina Riots, 312-14
Resolutions, 320, 323
Seed Grain, 307, 319, 322, 325
Settlement, 328
Speech from the Throne, 315-16, 320-21
State Medicine, 323, 330-31, 332
Tax Arrears, 306-08, 331-32
Taxation Inquiry, 308, 309-12
Telephones, 653
Unemployment and Relief, 328-29
Vital Statistics, 330
Wheat Crop, 305, 325-26
Wheat Pool, 326-27
Workmen's Compensation, 331
Sask. Ass'n of Rural Municipalities, 331-32
Sask. Co-operative Wheat Producers Ltd., 326
Sask. Liberal Ass'n, 314-15
Sask. Natural Resources Investigation, 158-59
Sask. Penitentiary, 136-37
Sask. Teachers' Federation, 324
Sawmill Products, 576
School of Higher Commercial Studies, Montreal, 303, S159
School Law Amendment Act, Ont., 245
Scientific and Professional Instruments, Production, 599
Scotch Anthracite Coal Co. Ltd., 506
Sea Trade, 640
Seal Harbour Gold Mines, Ltd., 577
Security Prices, 477
Seed Grain, Loans Guaranteed, 124-25
Selenium, 578

SENATE OF CANADA,
Address to King Edward VIII, 93
Address to the Governor-General, 58
Address to Queen Mary, 93
Amendments, Criticism of, 56
Appointments, 9, 70
Banking and Commerce Committee, 37, 56
B.N.A. Act, 126-27
Criminal Code, 36
Free Trade Zones, Special Committee, 127-28
Government Annuities, Special Committee, 127
Legislation, 1925, 29, 32, 34, 36, 37, 47, 56
Legislation, 1936, 109, 110, 114, 119-20, 121
Railways, Telegraphs and Harbours Committee, 119
Removals by Death, 57
Speaker, 130
Separate Schools, Ont., 191, 200-02, 238-40, 241
Seventeenth Annual Market Review, 571
Shawinigan Water and Power Co., 530
Sherbrooke Textile Plant, 93
Shipbuilding and Repairs, 599
Shipping, 139, 477, 644-48
Shipping Acts, 122
Shipping Disasters, 495-96
Shipping Federation of B.C., 393, 396
Shipping Federation of Canada, 128, 644-45
Silk Workers' Strike, 504
Silver Fox Farms, 587
Silver Jubilee of King George V, 2, 5-6, 11, 69, 168-69, 181, 222-23, 225, 277
Silver Jubilee Medals, 169
Silver Production, 474, 577-78

Silver Purchase, U.S. Treasury, 182
Single Men's Commission, Man., 367
Sioux Lookout Highway, 204
Skeena, H.M.C.S., 76, 147
Slaughterings, 476
Slave Falls Power Plant, 385
Small Will Case, 271
Smelt, 588
Smelting and Refining Industry, 579-82
Social Credit League, 336, 338, 349
Social Credit Measures Act, Alberta, 337-38, 356, 358
Social Credit Party, Alberta, 335 *et seq.*, 348, 349 *et seq.*, 522
Social Credit Party of Alberta, Dom. General Election, 67
Social Credit Party, B.C., 397
Social Credit Party, Man., 370-72
Social Insurance, 66
Socialization of Industry, 66
Sockeye Salmon Convention, 183, 589
Soil Drifting, 554
Soils Research Laboratory, Swift Current, 554
Soldier Settlement, 151
Soldier Settlement Act Amendment, 123, 331
Solemnization of Marriage Act Amendment, Alberta, 348
Souris Election Recount, 92
South Africa, 82
South African Veterans, 129
South York Conservative Ass'n., 201
Special Sketches Supplement, S117 *et seq.*
Special War Revenue Act, Amendment, 125
Spink and Son, London, 442
Stadacona, H.M.C.S., 147
Stanfields Ltd., 415
Stanley Steel Co. Ltd., 607
State Dinner, Buckingham Palace, 5
State Medicine Proposals, Sask., 323, 330-31, 332

STATISTICAL SURVEY, 469-84
Agriculture, 473
Construction, 475
Currency and Banking, 483
Economic Situation, 471
Employment, 472
Exports, 475
Finance, 478-79
Fisheries, 473
Forestry, 473
Fundamental Economic Conditions, 472
Furs, 473
General Business, 469, 479, 483
Imports, 475-76
Internal Trade, 476
Investments and Speculation, 484
Labour, 477-78, 482
Manufactures, 474-75
Minerals, 474
Population, 473-75, 479
Prices, 476-77, 482
Production, 473
Productive Activity, 480
Trade, 475-76, 481
Transportation and Communication, 477, 481
Statistics of Dairy Factories, 572
Statute of Westminster, 2, 81-2
Steel Ingots and Castings, 475, 480
Stellarton Mine Explosion, 418, 495
Sterling in U.S. and Canada, 514
Still Births, 143
Stock Exchange Transactions, 479
Stock Markets, 526-33
Stock Transfer Tax Act, Amendment, Ont., 223
"Stock Watering," 3
"Story of Civilization" Textbook, 428
Strikes and Lockouts, 258, 298-99, 395-96, 408, 478, 482, 503-04
Strikes, Unemployment Camps, 52-5
Structural Materials and Clay Products, 474
Subsidies, Maritime Provinces, 159-60
Subsidy, B.C., 390
Subsidy, N.B., 438, 445
Subsidy, N.S., 414
Subsidy, P.E.I., 461, 462-63
Suburban Rapid Transit Co., 541
Succession Duties Act Amendment, N.S., 428
Succession Duties Act Amendment, Ont., 223
Succession Duties Act Amendment, Que., 277
Succession Duties, Ont., 194, 215, 223, 229
Sugar Beets, 569
Sugar Manufactured, 480
Sugar, Raw, Imports, 475
Summary Convictions Act Amendment, Man., 381
Sunday Observance Act, Amendment, Que., 281, 491
Sun Life Assurance Co. of Canada, 543-44, S111-13
Supplementary Estimates, 19, 102
Supplementary Public Works Construction Act, 1935, 42, 498
Supreme Court of Alberta, Appointment, 354
Supreme Court of Alberta, MacMillan-Brownlee Case, 340-41
Supreme Court of B.C., 34
Supreme Court of Canada, Canada Temperance Act, 269
Supreme Court of Canada, "Gypsum Queen" Case, 145
Supreme Court of Canada, MacMillan-Brownlee Case, 341
Supreme Court of Canada, Validity of 1935 Acts, 28-29, 35, 70, 87-91, 95, 98, 488, 506, 560
Supreme Court of N.B., Appointments, 438, 441-42
Supreme Court of N.B., Gambling Devices, 441
Supreme Court of Ont., Hydro-Electric Power Commn. Pamphlet, 270
Supreme Court of Ont., Que. Power Contracts, 199-200
Supreme Court of Ont., Small Will Case, 271
Sydney, N.S., Sesquicentennial, 418-19
Syndicat des Travailleurs de Chaussures de Saint-Tite, 298
Synod of Anglican Diocese of Niagara, 201

Taber Recall Petition, Alberta, 341
Tariff Board, 9, 106, 323
Tariff Board, References, 607-11
Tariff Changes, 24-5, 103-05, 106, 110-14, 124, 607-11
Tariff Exemption for Canadians Returning from U.S., 105
Tariff Legislation, 124
Taxation, Federal Budgets, 23-4, 26-7, 102-03
Taxation, Inquiry, Sask., 309-12
Tax Inquiry Board, Alberta, 339-40
Taxicab Act, Man., 489
Taylor (Ruth) Murder Case, Toronto, 272
Telegraphs, 477, 653-54
Telephones, 477, 651-53
Tellurium, 578
Temiskaming Earthquake, 149
Temiskaming and Northern Ont. Railway, 241, 242, 265-66
Textile Industries, 595
Textile Industry, Commission of Inquiry, 96, 155

Textile Products, 474
Textile Stocks, 531
Theatres and Cinematographs Act, Sask., 330
Theatres, Motion Pictures, 614
Three Rivers Harbour, 118
Ticket-of-Leave, 144
Tides and Currents, 643-44
Times, The, London, 7-8, 171, 181, 197
Timmins Sporting Club, 207
Titles, Conferred on Canadians, 177-78
Tobacco Production, 568-69
"Tollgate" Charges, Ont., 206-07
Topographical and Air Survey, 148-49
Toronto Board of Control, 75
Toronto Board of Trade, 4, 617
Toronto Daily Star, The, 6, 193, 200, 202, 203, 229, 230, 242
Toronto Harbour Commission, 125, 640
Toronto Housing Co., 268
Toronto Housing Projects, 267-68
Toronto Police Department, Inquiry, 206
Toronto Stock Exchange, 479, 532
Toronto Transportation Commission, 631
Touche, George A. & Co., 121, 616
Tourist Advisory Council, N.S., 424
Tourist Traffic, 21, 72, 514, 613-14
Trade Agreements (see under various Countries)
Trade of Canada, Budget Speeches, 20, 100
Trade Commissioners' Offices, 611-12
Trade and Industry Act, Amendments, Alberta, 358
Trade and Industry Commission, 611 (see also Dom. Trade and Industry Commission)
Trade Organizations, 614-15
Trade Statistics, 475-76, 481
Trade Unions, 145, 508-09
Trades and Labour Congress of Canada, 9, 122
Tradesman's Qualification Act, Alberta, 356
Trail Smelter Arbitration, 182
Tranquille Sanitorium, 405
Transatlantic Air Service, 651
Trans-Canada Air Route, 132, 649
Trans-Canada Highway, 65, 72, 131, 195, 216, 291, 329
Tunnel Traffic, 648

TRANSPORTATION AND COMMUNICATION, 616-58
Aviation, 649-51
Can. National Railways, 624-25 (see also under C.N.R.)
Can. Pacific Railway, 625-28 (see also under C.P.R.)
Canals, 641-44
Electric Railways, 630-33
Express, 629-30
Freight Rates, 622-23
Harbours, 636-40
Highways and Motor Transport, 633-36
International Traffic, 640-41, 648
Postal Affairs, 628-29
Radio, 654-58
Railway Commissioners, 622-23
Shipping, 644-48
Statistical, 477, 481
Steam Railways, 616 *et seq.*
Telephones and Telegraphs, 651-54
Transportation, Financial and Industrial Supplement, S1 *et seq.*
Transportation Stocks, 530
Travers Aprons Ltd., 608
Treasury Act Amendment, Man., 381
Treasury Bills, 522, 524
Trinity College, Toronto, 248
Tri-Partite Monetary Agreement, 510
Trout, 588
Truck Act Amendment, B.C., 489
Tubercular Veterans Ass'n., 129
Turnover of Money, 517
Twentieth Century Liberal Assn. of Canada, 76

Unemployment Insurance, 320

UNEMPLOYMENT AND RELIEF, 2, 13, 15, 16, 17, 21, 63, 74, 86, 93, 95, 96, 99, 101, 497-503
Alberta, 86, 342, 344, 347, 358, 360
B.C., 390-91, 393, 395-96, 397, 399-400, 403, 404, 405, 407-08
Camps, 52-3, 114, 147, 368, 407-08, 498, 499
Disbursements, 109, 498, 500, 502
Dom.-Provincial Conference, 71, 497, 498
Drought Areas, 496
Guarantees, 23, 26, 503
Land Settlement, 131, 501
Legislation, 29-31, 42, 114-15, 499-501
Loans to Provinces, 502-03
Man., 367, 368-69, 376-77, 379, 380
Municipal Relief, Dom. Contribution, 497
Nat. Employment Commission, 74, 114-15, 498-99, 500-01
N.B., 440, 456-57
N.S., 415, 434
Ont., 191, 195-96, 214, 226, 231, 234, 261
P.E.I., 466
Projects of 1935 Cancelled, 70
Public Works, 42
Que., 275, 279, 281, 293, 300
Railways, 131-32
Regina Disturbances, 53-5, 312-14
Sask., 328-29
Single Men, 499-500
Summary of Statistics, 499, 502
Trans-Canada Highway, 498
Veterans, 123, 164-65
Unemployment Relief and Assistance Act, 86, 499
Unemployment in Trade Unions, 477, 482
Union of Alberta Municipalities, 365
Union of B.C. Municipalities, 394-95
Union of N.B. Municipalities, 458-59
Union of N.S. Municipalities, 436-37
United Farmers of Alberta, 335-36
United Farmers of Can., Sask. Section, 314, 327-28
United Farmers of Man., 384
United Farmers of Ont., 226, 269
United Fruit Growers of N.S., Ltd., 432
United Grain Growers Ltd., 51, 369
United Irrigation District, 347
United Kingdom, Can. Credit in, 7-8, 197, 219-20
United Kingdom, Can. High Commissioner to, 171, 181
United Kingdom, Chambers of Commerce, 181
United Kingdom, Economic Recovery, 510-11
United Kingdom, High Commissioner to Canada, 185
United Kingdom, Royal Family, 168 *et seq.*
United Kingdom, Trade with, 100, 105, 106, 139, 601, 605
United Kingdom, Wheat Imports, 566, 567
United May Day Conference, 269

United Mine Workers, 416-17, 418
United States, Can. Legation to, 182
United States, Can. Relations with, 182-83, 185-86
United States Dollar, 513-14
United States, Economic Recovery, 511-12
United States Federal Reserve Board, 511
United States House of Representatives, Adjournment on Death of George V, 169
United States, Income Tax on Non-Residents, 182, 183
United States, Minister to Canada, 185
United States, Neutrality Laws, 182
United States Securities Exchange Commission, 511
United States, Tariff Exemption for Canadians Returning from, 105
United States, Trade with, 100, 139, 601, 603-04
United States, Trade Agreement with, 1, 10, 70, 93, 94-5, 96-7, 104, 106, 109-14, 124, 132, 180, 182-83, 184, 414, 416, 460, 513, 599
U.S.S.R., Trade with, 74, 78
United Textile Workers of America, 504
University of Alberta, 361-62
University of Bishop's College, Lennoxville, 303
University of B.C., 406-07
University of Man., 381, 388
University of Montreal, 302-03
University of N.B., 453
University of Ottawa, 250-51
University of Sask., 324
University of Toronto, 50, 179, 246-49, S158
University of Toronto, School of Architecture, S132-33
University of Western Ont., London, 250
Uranium Production, 581
Utility Stocks, 527, 529-30

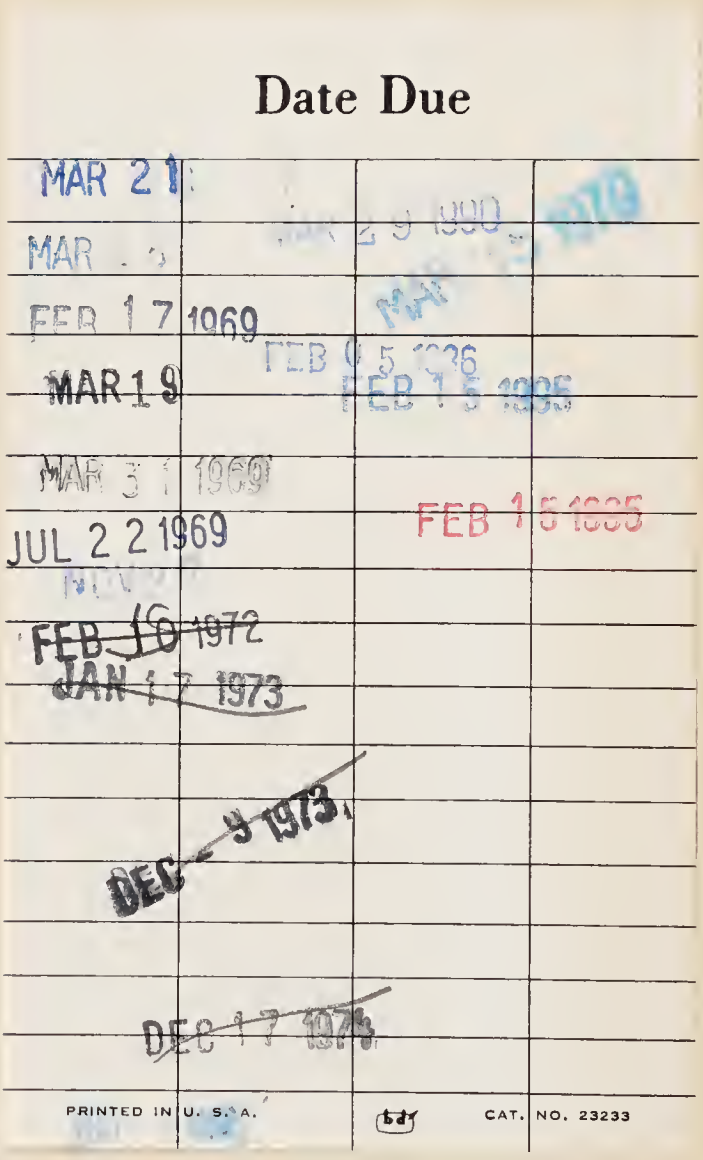
Vancouver Board of Trade, 51
Vancouver Bond Interest Reduction, 7
Vancouver and District Water Front Workers' Ass'n., 505
Vancouver, Financial Affairs, 393-95, 398-99, 521
Vancouver, H.M.C.S., 76, 147
Vancouver Golden Jubilee, 92, 393
Vancouver Grain Exchange, 51
Vancouver Harbour, 118, 637-38
Vancouver Island, Autonomy Proposals, 392-93
Vancouver Island Loggers Strike, 504
Vancouver Island Provincial Ass'n., 393
Vancouver Police Department, 396
Vancouver Shipping Federation, 504
Vancouver Shipping Strike, 395-96
Vancouver Unemployed Demonstrations, 52-3, 395
Vegetable Products, 474
Vegetable Products Industries, 594
Velocity of Money, 517
Veterans' Assistance Commission, 164
Veterans' Assistance Commission Act, 123
Veterans of the North-West Rebellion, 129
Veterans, Unemployed, 164-65
Victoria College, B.C., 406
Victoria University, Toronto, 247-48
Victorian Order of Nurses, 76
Vimy Pilgrimage, 186-90
Vimy Ridge War Memorial, 73, 74, 80, 133, 181, 183, 187-88
Violent Deaths, 144
Vital Statistics, 142-44
Volume of Business, Physical, 19
Voters' List Revision, 123

Wabasso Cotton Co. Ltd., 18
Wages, 478, 491-92
Wages Act, Amendment, Ont., 224-25, 490
Wages, Agricultural, 549-50
Wages, Manufacturing Industries, 593
War, Government Policy re, 77-8, 79
War Veterans Dismissal Inquiry, Ont., 222
War Veterans, Unemployed, 164-65
War Veterans' Allowance Act, Amendment, 122-23, 129
Water Carriage of Goods Act, 122
Water Freight Rates, 642
Water Levels, 643, 644
Water Power, 590-91
Water Power and Hydrometric Bureau, 148
Waterloo Post Office, Commission of Investigation, 161-62
Weaver, F. P., Coal Co. Ltd., 506
Weekly Day of Rest Act (see One Day's Rest in Seven Act)
Weekly Rest in Industrial Undertakings Act, 488, 496
Weights and Measures Act, Amendment, 28, 49
Welland Ship Canal, 642
Western Stock Growers' Assn., 552
Weston, George, Limited, 540
Wheat Advisory Committee, 181
Wheat Board Act, Can., 37-41
Wheat Board, Can., 70, 92, 93, 95, 98, 101, 117, 130, 326-27, 383, 384, 560-64
Wheat Board, Committee of Inquiry, 50-2, 564
Wheat Board, Report, 563-64
Wheat Bonus, 556
Wheat Carryover, 40, 41, 566
Wheat Committee, Advisory, 74
Wheat Crop (1930) Equalization Payments Act, 117
Wheat Experiments, 553
Wheat and Flour Exports, 566-67
Wheat Grading, 555-56
Wheat Guarantees, 40
Wheat Holdings, 51-2
Wheat Marketing, Government Guarantees, 503
Wheat Marketing, Special Committee on, 129
Wheat Pools, 51, 560-64
Wheat Pool, Alberta, 360-61, 555
Wheat Pool, Sask., 326-27
Wheat Prices, 565
Wheat Production, Can., 473, 566
Wheat Production, World, 565-66
Wheat Receipts, 476
Wheat Stocks, 564
Whitefish, 588
Wholesale Prices, 476-77, 482, 494
Wholesale Trade, 605-06
Wills Act Amendment, Man., 381
Windsor Amalgamation Act, Ont., 224
Winnipeg Convention, Conservative, 16
Winnipeg Electric Co., 540-41, 632
Winnipeg Free Press, the, 17, 62, 67, 388, 657
Winnipeg Grain Exchange, 38, 40, 41, 51, 62, 130, 560
Winnipeg Grain and Produce Exchange Clearing Ass'n., 130
Winnipeg, Proposed Legislation, 367-68, 377-78, 380
Winnipeg, Selkirk and Lake Winnipeg Co., 541
Winnipeg Sewage Disposal, 368, 378, 389
Winnipeg Tax Legislation, 378
Winnipeg Unemployed Demonstrations, 368
Wives and Children's Act, Amendment, Man., 381

Women's Employment Committee, 114, 115
Women's Institute Act, N.B., 444
Woman's Suffrage, Que., 277, 281, 288
Wood, Gundy and Co., 193, 228
Wood and Paper Products, 474
Wool Textiles, Tariff Board Reference, 608
Workers and Unity League, 313
Workers' Unity League, 508
Workmen's Compensation Inquiry, Man., 375
Workmen's Compensation Inquiry, N.S., 417-18
World Economic Conference, 58
World Economic Recovery, 510 *et seq.*
World Power Conference, Washington, 591
World Trade, Canada in, 600-03
World Wheat Production, 565-66
Wycliffe College, Toronto, 248-49

Yellow Knife River, 147
Young Conservative Club, Montreal, 4
Youth Employment Committee, 114, 115
Youth Re-establishment, Resolution re, 131
Yukon Highway Proposal, 398

Zinc Production, 474, 578, 579


Date Due
MAR 21
FEB 17 1969
MAR 19
MAR 31 1969
JUL 22 1969
FEB 10 1972
JAN 17 1973
DEC 9 1973
DEC 17 1974
FEB 15 1985
PRINTED IN U. S. A.
CAT. NO. 23233

TRENT UNIVERSITY
0 1164 0196392 5

F5003 .C35 1935-36
Canadian annual review.

DATE | ISSUED TO
007422

CANADIAN 007422